

U.S. Country Commercial Guides



Sweden
2018

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Doing Business in Sweden

Market Overview

The Nordic countries (Sweden, Norway, Denmark, Finland, and Iceland) comprise the world's 11th largest economy (estimated GDP of U.S. \$1.7 billion), and are among the most innovative, competitive, and transparent in the world. Sweden, with a GDP of \$511 billion and a population of 10 million, is the largest Nordic economy and boasts a transparent, highly developed, sophisticated and diversified market with few barriers to entry. According to the World Economic Forum's Global Competitiveness Report for 2017-2018, Sweden ranks 7th in the world on the Global Competitiveness Index. This is due in part to Sweden's export-oriented manufacturing sector, competitive SMEs, and budgetary discipline. Sweden also consistently ranks among the top 10 worldwide for its connectivity, governance, investment in R&D, and business climate (World Bank's Ease of Doing Business index). As such, many foreign firms establish operations in Sweden when looking to enter or expand into the Nordics and/or the Baltics.

Over 1,300 U.S. companies are present in Sweden, and Sweden is the top location in the Nordics for regional coverage. The United States is Sweden's largest trading partner outside of the EU. In 2017, U.S. merchandise exports to Sweden were valued at \$3.73 billion and imports were \$10.74 billion, generating a trade deficit of \$7.01 billion (up from \$5.89 billion in 2016; an increase of 19 percent). The U.S. exported \$5.9 billion in services to Sweden in 2016 and imported \$3.1 billion, a trade surplus of \$2.8 billion.

Major categories of U.S. exports to Sweden include aerospace/defense, automotive aftermarket, telecommunications equipment, healthcare/life sciences, information technologies, safety/security, clean-tech, industrial machines, and renewable energy. More American companies operate in Sweden than companies from any other foreign country, supporting over 72,000 Swedish jobs.

Market Challenges

Sweden's open and therefore highly competitive market means U.S. companies face strong competition from Swedish and third-country suppliers. U.S. exporters must offer advanced technologies as well as competitive prices and terms in order to succeed.

Sweden's high cost of living, with expensive labor and individual tax rates, are among the highest worldwide. A value-added tax (VAT) rate of 25 percent applies to the import or sale of most products. Representing about 20 percent of Sweden's GDP, public procurement at all levels is much higher than the EU average of 11 percent. Incorporating innovative products and services into the public tender process remains a major systemic challenge.

Market Opportunities

There are many market opportunities in Sweden for U.S. companies, especially for cutting-edge technologies and services. Among the top opportunities to be aware of:

- Sweden has a long-established tradition of expertise in engineering, mining, shipbuilding, and the life sciences, making it a highly receptive market to new advanced technologies.
- There is ongoing, strong demand for advanced technologies and products/services that improve productivity, including IT software and services that lower costs and improve business efficiencies, as well as equipment and services for safety/security, including cyber security.
- Driven by rapid, widespread adoption of smart devices, Sweden's internet economy is growing more than ten percent annually and represents about eight percent of total GDP.

- In Europe's Digital Progress Report for 2017 Sweden ranks 3rd out of the 28 EU Member States. Overall progress is in line with the EU average. In terms of connectivity Sweden scores well above the EU average. 4G coverage is 100 percent and fixed broadband is available to 99 percent of households.
- Since Swedes are early adopters of new technologies, Sweden is considered to be an ideal test market, albeit an expensive one. The government has launched a program called Test Bed Sweden to attract innovative technologies into the country for development and piloting.
- Sweden's commitment to sustainability across industry sectors drives market demand for U.S. products and services in renewable energy/low carbon/green technologies and energy efficiency.
- Sweden's rapid developments in smart grid, bioenergy, cyber security and e-health make the country a critically important market for U.S. companies offering advanced technologies.
- English is widely spoken, and English is the language used for business communications.

Market Entry Strategy

While Sweden's markets are generally quite open to foreign competition they are also highly competitive. To break into the market, products and services must be globally competitive and usually customized for the unique Swedish market:

- Demonstrate a clear competitive advantage (i.e., price, quality, branding).
- Pay close attention to both the obvious and subtle cultural differences between the U.S. and Sweden and adjust marketing strategies accordingly. The Swedish cultural philosophy of *jantelagen* still eschews overt self-promotion and achievement as inappropriate but this is changing, especially among the start-up community.
- Evaluate prospective partners carefully and choose an experienced, well-established distributor.
- Be flexible and adjust expectations to the scale of the market. Although Sweden is the size of California, its population is only 10 million (25 million total population in the Nordics).
- Evaluate the potential for distributors to cover the entire Nordic region. Depending on the industry sector, prospective business partners may be based in Stockholm, Gothenburg, Malmo, or other Nordic cities.
- Express commitment to the market with a long-term perspective. Visits are important since Nordic partners want first-hand assurance of a partner's reliability and commitment.

Political and Economic Environment

Political and Economic Environment

For background information on the political and economic environment of Sweden, please read [U.S. Department of State Background Notes](https://www.state.gov/r/pa/ei/bgn/2880.htm) (link should be copied and pasted into Google Chrome: <https://www.state.gov/r/pa/ei/bgn/2880.htm>).

Selling US Products & Services

Using an Agent to Sell US Products & Services

Normally, an exclusive agent or distributor is appointed to cover the Swedish market. Swedish agents/distributors often represent several foreign firms. A visit to the market is the best way to appraise the relative merits of prospective agents/distributors. Close contact between the American principal and the Swedish agent/distributor is very important and should be developed early.

Companies wishing to use distribution, franchise, and agency arrangements need to ensure that the agreements they put into place are in accordance with EU and member state national laws. Council Directive 86/653/EEC establishes certain minimum standards of protection for self-employed, commercial agents who sell or purchase goods on behalf of their principals. The Directive establishes the rights and obligations of the principal and its agents, the agent's remuneration, and the conclusion and termination of an agency contract. It also establishes the notice to be given and indemnity or compensation to be paid to the agent. U.S. companies should be particularly aware that according to the Directive, parties may not derogate from certain requirements. Accordingly, the inclusion of a clause specifying an alternate body of law to be applied in the event of a dispute will likely be ruled invalid by European courts.

Key Link: [Self Employed Commercial Agents](#)

The European Commission's Directorate General for Competition enforces legislation concerned with the effects on competition in the internal market of "vertical agreements." U.S. small- and medium-sized companies (SMEs) are exempt from these regulations because their agreements likely would qualify as "agreements of minor importance," meaning they are considered incapable of impacting competition at the EU level but useful for cooperation between SMEs. Generally speaking, companies with fewer than 250 employees and an annual turnover of less than €50 million are considered small- and medium-sized. The EU has additionally indicated that agreements that affect less than 10 percent of a particular market are generally exempted (Commission Notice 2014/C 291/01).

Key Link: [European Law](#)

The EU also looks to combat payment delays. Directive 2011/7/EU, covers all commercial transactions within the EU, whether in the public or private sector, primarily dealing with the consequences of late payment. Transactions with consumers, however, do not fall within the scope of this Directive. Directive 2011/7/EU entitles a seller who does not receive payment for goods and/or services within 30 days of the payment deadline to collect interest (at a rate of eight percent above the European Central Bank rate) as well as 40 Euro as compensation for recovery of costs. For business-to-business transactions a 60-day period may be negotiated subject to conditions. The seller may also retain the title to goods until payment is completed and may claim full compensation for all recovery costs.

Key Link: [Late Payments](#)

Companies' agents and distributors can take advantage of the European Ombudsman when victim of inefficient management by an EU institution or body. Complaints can be made to the European Ombudsman only by businesses and other bodies with registered offices in the EU. The Ombudsman can act upon these complaints by investigating cases in which EU institutions fail to act in accordance with the law, fail to respect the principles of good administration, or violate fundamental rights. In addition, SOLVIT, a network of national centers, offers online assistance to citizens and businesses who encounter problems with transactions within the borders of the single market.

Key Links:

[European Ombudsman](#)

[EU Solvit](#)

Establishing a local Office

The most popular and simplest company structure is the limited liability company. This works well for many foreign firms – especially SMEs starting up in the Swedish market. For further details on requirements and options regarding the establishment of a local company presence, contact [Business Sweden](#) - or any of the many reputable legal firms resident in Sweden. See partial list below:

[Baker & McKenzie Advokatbyrå AB](#)

[Delphi & Co Advokatfirma](#)

[Kilpatrick Townsend & Stockton Advokatbyrå](#)

[White & Case Advokat AB](#)

Sweden has no rules that discriminate against foreign investors and shareholders may reside in any country. As mentioned above, most foreign investors have historically favored the limited liability company, which is the only corporate form with no personal liability in Sweden. There are two different forms of limited liability companies: public and private. The difference between the two is that only the public limited liability company can turn to the public for capital. A subsidiary of a foreign company established in Sweden in accordance with Swedish law is considered a Swedish company in all respects and generally no legislative distinction is made between companies whose shares are wholly or principally owned by foreigners and those owned by Swedes.

The Swedish Companies Act (Aktiebolagslagen) governs the founding of a company. However, a foreign investor need not bother with this procedure, as it is much easier to acquire a pre-registered off-the-shelf company and adapt its articles of association to the needs and intents of the investor. The share capital must be at least SEK 50,000 in a private limited liability company and SEK 500,000 in a public limited liability company.

A foreign company interested in establishing a business in Sweden may also conduct its operations through a Swedish branch (filial). Both a branch and a limited liability company must be registered with the [Swedish Companies Registration Office](#) and the [Swedish Tax Agency](#).

Data Privacy and Protection

As of 25 May 2018, the General Data Protection Regulation (GDPR) applies in the EU. The GDPR is a horizontal privacy legislation that applies across sector and to companies of all sizes. It replaces the previous data protection Directive 1995/46. The overall objectives and underlying principles of the legislation remain the same. Businesses must inform consumers that they are collecting personal data and have a legal basis to process and retain the data.

However, there are significant differences in definitions of key terminology. The GDPR creates a number of new requirements for organizations that process EU individuals' personal data. Companies have an obligation to demonstrate their compliance, in part through a number of documentation obligations. Data subjects have a number of rights which include access, correct, and erasure of their personal data.

The GDPR has extra-territorial reach, which means that it might be applicable to U.S. entities even if they do not have physical presence in Europe. In that case, such organizations need to have a representative based in Europe, or in certain cases need to appoint a Data Protection Officer.

Fines in case of non-compliance can reach up to 4 percent of the annual worldwide revenue or 20 million euros – whichever is higher. Companies of all sizes and sectors should consider GDPR as part of their overall compliance effort with assistance of legal counsel.

The European Commission and Data Protection Authorities are releasing official guidelines to help companies with their compliance process (see resources below).

Note: the EU is currently updating its e-privacy legislation governing confidentiality of communications. This legislative instrument once enacted will add a number of requirements in addition to the GDPR. We encourage U.S. exporters to monitor this situation as it evolves through the EU legislative process.

For more information:

[Full GDPR text](#)

[Official Press Release](#)

European Commission guidance:

http://ec.europa.eu/justice/smedataprotect/index_en.htm

https://ec.europa.eu/commission/priorities/justice-and-fundamental-rights/data-protection/2018-reform-eu-data-protection-rules_en

Transferring Customer Data to Countries outside the EU

The GDPR provides for the free flow of personal data within the EU but also for its protection when it leaves the region's borders.

The GDPR (Chapter 5 - Article 44 onwards) sets out obligations on data controllers (those in charge of deciding what personal data is collected and how/why it is processed), on data processors (those who act on behalf of the controller), and gives rights to data subjects (the individuals to whom the data relates). These rules were designed to provide a high level of privacy protection for personal data, and were complemented by **measures to ensure the protection is maintained when data leaves the region**, whether it is transferred to controllers, processors, or to third parties (e.g. subcontractors). EU legislators put restrictions on transfers of personal data outside of the EU, specifying that such data could only be exported if “adequate protection” is provided.

The European Commission (EC) is responsible for assessing whether a country outside the EU has a legal framework that provides sufficient protection for it to issue an “adequacy finding” to that country. The U.S. has never sought to be found adequate by the EC. This means that U.S. companies can only receive personal data from the EU if they:

- Join the EU-U.S. Privacy Shield program, or
- Provide appropriate safeguards (e.g. contractual clauses, binding corporate rules), or,
- Refer to one of the GDPR's derogations.

European Commission's webpage on transfers outside the EU and all mechanisms outlined below:

[Data Transfers Outside of EU](#)

Important note:

The legal environment for data transfers to the United States continues to evolve. Companies that transfer EU citizen data to the United States as part of a commercial transaction should consult with an attorney, who specializes in EU data privacy law, to determine what options may be available for a particular transaction.

About the EU-U.S. Privacy Shield

The EU-U.S. Privacy Shield Framework was designed by the U.S. Department of Commerce and the European Commission to provide companies on both sides of the Atlantic with a mechanism to comply with data protection requirements when transferring personal data from the European Union to the United States in support of transatlantic commerce.

For more information on the [EU-U.S. Privacy Shield](#)

For more information about other mechanisms of transfer, please refer to:

[Transferring Personal Data from EU to U.S.](#)

Cyber-security

The European Network and Information Systems (NIS) Security Directive sets a minimum baseline of requirements to ensure better protection of critical infrastructures in Europe. The legislation targets three groups of stakeholders: 1) it sets basic principles for Member States for common minimum capacity building and strategic cooperation; 2) it directs operators of essential services (OES) and digital service providers (DSP) to ensure they apply basic common security requirements.

DSPs are broadly defined to include online/e-commerce marketplace (including app stores); online search engine (with the exclusion of search function limited to a specific website); and Cloud computing services. NIS systems are considered the e-communications network, connected devices, and digital data.

A DSP and an OES are expected to ensure “the ability of NIS to resist any action that could compromise the availability, authenticity, integrity, or confidentiality of stored or transmitted or processed data or the related services offered by, or accessible via, those systems.” Member states must identify OES and establish security and notification requirements for OES and for DSP. The level of security expected from OES should be higher than the level expected from DSP, because of the degree of risk posed to their infrastructure. Among obligations for both OES and DSP are, to take technical and organizational measures to NIS risk management; to prevent and minimize the impact of NIS security incidents; to notify, without undue delay, incidents having a significant impact on the continuity of the essential services they provide.

This Directive has been adopted by the EU in July 2016. Member States have until May 2018 to transpose the Directive into their national legal framework.

Franchising

The interest in franchising in Sweden continues, according to the Swedish Franchise Association. Their survey shows that there are 800 franchise chains run by an estimated 33,000 franchisees (2016) and employing more than 144,000 people in Sweden (2017). The majority of the franchises are of Swedish origin. Franchising is especially popular in the area of retail (mainly durable goods), hotel and restaurant, and service sector (such as assembly/installation and consulting/business services). Among the most well-known American franchises operating in Sweden are McDonald’s, Burger King, Pizza Hut, Hard Rock Café, Subway, Starbucks, KFC, Domino’s Pizza, Avis, Hertz, Mail Boxes etc, Re/Max Real Estate, and 7-Eleven.

To meet the needs of the Swedish market, U.S. franchisers should be prepared to modify their product mix or implement other changes in their marketing policy in order to boost competitiveness. Launching large-scale franchise operations may not be realistic in a market the size of Sweden’s. According to industry contacts, it can also be challenging for master franchises to secure financing for American franchises, especially when the exchange rate is unfavorably high, as it is currently.

There is no specific comprehensive franchise legislation in Sweden. The only direct franchise-related legislation is a disclosure obligation for the franchisor (Law no 2006:484). Under the Swedish Franchise Disclosure Act, a franchisor must provide a prospective franchisee with certain information before a franchise contract is entered into. The legislation covers all franchise contracts in Sweden: domestic and foreign contracts; master franchise contracts and unit contracts; new contracts; and renewals of old contracts. There are a number of laws that govern the operation of franchises within the EU, but these laws are fairly broad and generally, do not constrain the competitive position of U.S. businesses.

It is strongly recommended that U.S. companies considering franchising in Sweden conduct a qualified legal study to ensure full validity and enforcement of franchising agreements. The use of an American franchising agreement without adjustments for Swedish laws and practices could be detrimental to the franchisor's business.

Detailed information on EU regulations can be found on the website of the [European Franchise Federation](#).

Direct Marketing

The EU has yet to adopt legislation harmonizing the direct-selling of consumer products. However, there is a wide-range of EU legislation that impacts the direct marketing sector. Compliance requirements are stiffest for marketing and sales to private consumers. Companies need to focus, in particular, on the clarity and completeness of the information they provide to consumers prior to purchase and on their approaches to collecting and using customer data. The following gives a brief overview of the most important provisions flowing from EU-wide rules on distance-selling and on-line commerce. In addition, it is important for exporters relying on a direct-selling business model to ensure they comply with member state requirements.

Processing Customer Data

The EU has strict laws governing the protection of personal data, including the use of such data in the context of direct marketing activities. For more information on these rules, please see the Data Privacy section above.

Distance Selling Rules

In 2011, the EU overhauled its consumer protection legislation and merged several existing rules into a single rulebook - "the Consumer Rights Directive." The provisions of this Directive have been in force since June 13, 2014. The Directive contains provisions on core information to be provided by traders prior to the conclusion of consumer contracts. It also regulates the right of withdrawal, includes rules on the costs for the use of means of payment, and bans pre-ticked boxes.

Alternative Dispute Resolution

In 2013, the EU adopted rules on Alternative Dispute Resolution which provide consumers the right to turn to quality alternative dispute resolution entities for all types of contractual disputes including purchases made online or offline, either domestically or across borders. A specific Online Dispute Resolution Regulation, operational in January 2016, sets up an EU-wide online platform to handle consumer disputes that arise from online transactions.

New Legislation

In December 2015 the European Commission released a package of two draft Directives, respectively on "contracts for the supply of digital content" and another on "contracts for the online and other distance sales of goods." This package addresses the legal fragmentation and lack of clear contractual rights for faulty digital content and distance selling across the EU. The package would only address business-to-consumer contracts, although its draft scope uses a very broad definition of both digital content (including music, movies, apps, games, films, social media, cloud storage services, broadcasts of sport events, and visual modelling files for 3D

printing) and distance selling goods so as to cover Internet of Things (such as connected households' appliances and toys). It could also apply to transactions whether in the context of a monetary transaction or in exchange of (personal) consumer data. Healthcare, gambling, and financial services are excluded from the proposal.

The package is currently under scrutiny at both the European Parliament and Council. Its adoption is expected in the course of 2018.

Key Links:

[Consumer Affairs Homepage](#)

[Consumer Rights](#)

[Distance Selling of Financial Services](#)

Financial services are the subject of a separate directive that came into force in June 2002 (2002/65/EC). This piece of legislation amended three prior existing Directives and is designed to ensure that consumers are appropriately protected with respect to financial transactions taking place where the consumer and the provider are not face-to-face. In addition to prohibiting certain abusive marketing practices, the Directive establishes criteria for the presentation of contract information. Given the special nature of financial markets, specifics are also laid out for contractual withdrawal.

Key Link: [Distance Marketing](#)

[Direct Marketing over the Internet](#)

The e-commerce Directive (2000/31/EC) imposes certain specific requirements connected to the direct marketing business. Promotional offers must not mislead customers and the terms that must be met to qualify for them have to be clear and easily accessible. The Directive stipulates that marketing e-mails must be identified as such to the recipient and requires that companies targeting customers on-line must regularly consult national opt-out registers where they exist. When an order is placed, the service provider must acknowledge receipt quickly and by electronic means, although the Directive does not attribute any legal effect to the placing of an order or its acknowledgment: this is a matter for national law. Vendors of electronically supplied services (such as software, which the EU considers a service and not a good) must also collect value added tax (see Electronic Commerce section below). The European Commission has performed a stakeholder's consultation and is currently assessing the opportunity to propose a revision of the e-commerce Directive. See Data Privacy Section above.

Key Link: [Direct Marketing over the Internet](#)

Joint Ventures/Licensing

Joint ventures and licensing agreements are common in Sweden. There is no requirement to register licensing agreements and there are no government restrictions on remittance of royalties or fees. A joint venture or a licensing agreement itself is not a legal entity. A legal form of business must be formed to pursue the project.

Selling to the Government

Many governments finance public works projects through borrowing from the Multilateral Development Banks. Please refer to "Project Financing" Section in "Trade and Project Financing" for more information.

Government procurement in Europe is governed by both international obligations under the WTO Government Procurement Agreement (GPA) and EU-wide legislation under the EU Public Procurement Directives. U.S.-based companies are allowed to bid on public tenders covered by the GPA, while European subsidiaries of U.S. companies may bid on all public procurement contracts covered by the EU Directives in the European Union.

The EU directives on public procurement have recently been revised and new legislation on concession has also been adopted. Member States were required to transpose the provisions of the new directives by April 16, 2016. The four relevant directives are:

- [Directive 2014/24/EU](#) (replacing Directive 2004/18/EC) on the coordination of procedures for the award of public works contracts, public supply contracts, and public service contracts applies to the general sector;
- [Directive 2014/25/EU](#) (replacing Directive 2004/17/EC) coordinating the procurement procedures of entities operating in the water, energy, transport, and postal services sectors;
- [Directive 2009/81/EC on defense and sensitive security procurement](#). This Directive sets Community rules for the procurement of arms, munitions, and war material (plus related works and services) for defense purposes, but also for the procurement of sensitive supplies, works, and services for non-military security purposes;
- [Directive 2014/23/EU](#) on the award of concession contracts. A concession contract (either for the delivery of works or services) is conducted between a public authority and a private enterprise that gives the right to the company to build infrastructure and operate businesses that would normally fall within the jurisdiction of the public authority (e.g. highways).

The EU has three remedy directives imposing common standards for all Member States to abide by in case bidders identify discriminatory public procurement practices.

Electronic versions of the procurement documentation must be available through an internet URL immediately on publication of the Official Journal of the European Union (OJEU) contract notice. Full electronic communication (with some exceptions) will become mandatory for all public contracts from October 2018. Central purchasing bodies are required to publish their contracts and requests for tenders since April 2017.

Electronic invoicing (e-invoicing) will be introduced beginning the 3rd quarter of 2018, based on the requirement set forth in [Directive 2014/55/EU](#). The Directive makes the receipt and processing of electronic invoices in public procurement obligatory. Standards for e-invoicing are being developed by the European Committee for Standardization.

There are restrictions for U.S. suppliers in the EU utilities sector, both in the EU Utilities Directive and in EU coverage of the GPA. Article 85 of Directive 2014/25 allows EU contracting authorities to either reject non-EU bids where the proportion of goods originating in non-EU countries exceeds 50 percent or give preference to the EU bid if prices are equivalent (meaning within a three percent margin). Moreover, the Directive allows EU contracting authorities to retain the right to suspend or restrict the award of a service contract to undertakings in third countries where no reciprocal access is granted.

There are also restrictions in the EU coverage of the GPA that apply specifically to U.S.-based companies. U.S. companies are not allowed to bid on works and services contracts procured by sub-central public contracting authorities in the following sectors:

- Water sector
- Airport services
- Urban transport sector as described above, and railways in general
- Dredging services and procurement related to shipbuilding

Distribution & Sales Channels

Consumers and businesses, alike, are very import-oriented in Sweden. To compliment this import-oriented market, Sweden offers American exporters a wide range of methods for the distribution and sale of products. A very high level of efficiency characterizes the distribution system. [The Swedish Trade Federation \(Svensk Handel\)](#), is the principal organization for private sector importers and traders in Sweden. The federation's

membership includes 11,000 member firms active in retail and wholesale trade (including import/export, mail order business, and e-commerce).

The major distribution centers in Sweden are Stockholm, Gothenburg, and Malmo. Stockholm is the capital and the business center of the country with a metropolitan area population of about 2 million. The head offices of most Swedish industrial and commercial associations, and most large corporations are located in Stockholm. Many multinationals also use Stockholm as the base for their headquarters for their Nordic and Baltic operations.

Gothenburg, Sweden's second largest city, is the nation's foremost port for international shipping as well as the largest port in Scandinavia. Located on the southwestern coast, Gothenburg is also the center of a fast-growing industrial complex representing a wide spectrum of manufactured products.

Malmo and Helsingborg are located at the southern tip of the country, a short distance from neighboring Denmark. Both cities are important ports for Swedish shipping to continental Europe. A bridge between Malmo and Copenhagen physically links Northern Europe with the Continent.

The northern two-thirds of Sweden is sparsely populated, but contains many large industrial sites for forest products, mining, and hydroelectric power. Major population centers there include Sundsvall, Skelleftea, Lulea, and Umea.

Selling Factors & Techniques

Selling techniques are comparable to the practices in the U.S. General competitive factors such as price, quality, promptness of delivery, and availability of service are those that determine the success of a supplier. Sales material should be in the local language

Swedish firms do not change suppliers readily and many commercial relationships have been built up and maintained over decades.

eCommerce

The annual report "The Swedes and the Internet 2017," states that 99 percent of the Swedes between 16-65 use the internet and that 95 percent of those from age 12 and up have access in their homes through broadband via fiber. 98/85 percent of Swedes above the age of 12 own a cell/smartphone and 85 percent use their smartphone to access the internet. Computers and tablets are also used to a great extent, and ownership of the latter, along with smartphones, continues to increase steadily. Swedish consumers have increased their mobile commerce and therefore a smartphone version webpage is essential to drive both traffic and purchases.

According to [a recent Swedish survey](#), eCommerce is increasing steadily and Swedes spent USD 7.5 billion in 2017 on domestic online purchases, an increase of 16 percent compared to 2016. Another USD 1.5 billion was spent on foreign eCommerce, including the United States. Most Swedish e-commerce consumers prefer using debit or credit cards when paying for their products. Paying via invoice is the second most popular method, followed by direct bank payment.

Like other Nordic residents, Swedes bought mostly clothing and footwear online in 2017. After clothing and footwear, home electronics, media, sporting goods, and beauty and health care were the most popular cross-border product categories. In the first quarter of 2018, 15 percent of Swedes bought from foreign webshops. According to [another survey](#), the countries Swedes most often buy from on-line are China, Germany, the UK, and the U.S. While factors that lead Swedes to shop abroad include lower prices, it is a wider range of and unique products that attract them to foreign/U.S. websites. Examples of unique/niche products include car/boat/motorcycle accessories, sports and hobby products, etc. Other factors important to Swedish eConsumers include inspiring webstores, delivery options, ease of returns, and smooth payment options.

Swedish consumers are obliged to pay Swedish VAT which is not included on non-EU on-line purchases and must therefore be processed upon receipt of the package. Hence, as of March 1, 2018, an administrative fee has been implemented and is charged by the forwarding agent for the processing of VAT. The amount is USD 8.4-14/non-EU package, depending on the value of the goods. While this fee does not prevent eCommerce from the U.S., it could potentially decrease demand. Especially since this added administrative step increases delivery time, which is of high importance to the Swedish eConsumer. A domestic Swedish online order generally takes 3 days on average and one from the U.S. takes 12 days on average to deliver.

When Swedish consumers look to buy a specific product it is Google they turn to, however social media is increasing in use when it comes to cross-boarder eCommerce. Some of the most popular Swedish online stores/marketplaces include Apotea, CDON Marketplace, Elgiganten, Fyndiq, H&M, IKEA, Webhallen, and the most popular platforms include Blocket, Komplet, and Tradera. Main foreign competitors include Alibaba, Zalando, and Wish.

Digital Marketing

Traditional channels include: Google ads and affiliates, Facebook, online newspapers and magazines, and blogs. Paying top bloggers for publicity can create opportunities as this market is going through a phase of professionalism, and bloggers increasingly take on some of the codes of conduct applied by traditional media houses, such as revealing their sponsors. Ninety-seven percent of Swedes use email and roughly 70 percent use it daily. Adblockers are used by 29 percent of internetusers.

Major Buying Holidays

Christmas is by far the largest commercial driver for e-commerce in the Nordic countries, however Halloween and Valentine's Day also drive some sales. While Sweden does not observe the Thanksgiving holiday, Black Friday has been introduced and in 2017 Black Friday sales increased by 51 percent compared to 2016. Retailers seem to pick up on American holidays to generate extra traffic, and Black Friday appears to already have become a significant factor.

Social Media

Fifty-six percent of Swedes use social media on a daily basis, generally using U.S. and global sites such as Facebook (74 percent), Facebook Messenger (62 percent), Skype (55 percent), Instagram (53 percent), Snapchat (33 percent), LinkedIn (30 percent), WhatsApp (29 percent), Twitter (25 percent), Pinterest, Reddit, and Kik. Social media has increased in importance when it comes to cross-boarder eCommerce in Sweden.

Value Added Tax (VAT)

The EU's VAT system is semi-harmonized. While the guidelines are set out at the EU level, the implementation of VAT policy is the prerogative of Member States. The EU VAT Directive allows Member States to apply a minimum 15 percent VAT rate. However, they may apply reduced rates for specific goods and services or temporary derogations. Therefore, the examination of VAT rates by Member State is strongly recommended. These and other rules are laid out in the [VAT Directive](#).

The EU applies VAT to sales by non-EU based companies of Electronically Supplied Services (ESS) to EU-based, non-business customers. U.S. companies that are covered by the rule must collect and submit VAT to EU tax authorities. From 1 January 2015, all supplies of telecommunications, broadcasting, and electronic services are taxable at the place where the customer resides. In the case of businesses this means either the country where it is registered, or the country where it has fixed premises receiving the service. In the case of consumers, it is where they are registered, have their permanent address, or usually live.

As part of the legislative changes of 2015, the Commission launched the Mini One Stop Shop (MOSS) scheme, the use of which is optional. It is meant to facilitate the sales of ESS from taxable to non-taxable persons

(business-to-consumer) located in Member States in which the sellers do not have an establishment to account for the VAT.

This plan allows taxable persons (sellers) to avoid registering in each Member State of consumption. A taxable person who is registered for the Mini One Stop Shop in a Member State (the Member State of Identification) can electronically submit quarterly Mini One Stop Shop VAT returns detailing supplies of ESS to non-taxable persons in other Member States (the Member State(s) of consumption), along with the VAT due.

The Commission has received numerous complaints in relation to the new rules on ESS and is in the process of revising them ([draft proposal](#)).

The most important pieces of legislation on VAT are the [EU VAT Directive 2006/112/EC](#) and its [Implementing Regulation 282/2011](#).

Further information relating to VAT on ESS:

https://ec.europa.eu/taxation_customs/business/vat/telecommunications-broadcasting-electronic-services/

Trade Promotion & Advertising

Advertising plays a major role in Sweden's commercial life, and all types of media are available. The internet, including mobile marketing, represents the largest media investment, roughly 45 percent of ad budgets (2016). Daily newspapers and other publications are also still important media. Direct mail is an important advertising medium, as well, after commercials on radio, television and in movie theatres. Other forms, useful for certain types of products, are point-of-sale advertising, outdoor posters, and billboards.

To place advertisements in newspapers, magazines, and trade journals, an agency must be authorized to do so by the Swedish Newspaper Publishers' Association ([Tidningsutgivarna](#)).

The major metropolitan papers in Stockholm, Gothenburg, and Malmo have wide geographical circulation. The three large Stockholm dailies - Dagens Nyheter, Svenska Dagbladet, and Dagens Industri - enjoy nationwide circulation. The large dailies in Gothenburg and Malmo (Goteborgs Posten and Sydsvenskan respectively) provide important media for advertising exposure in western and southern Sweden. Websites:

[Dagens Nyheter](#) www.dn.se

[Svenska Dagbladet](#) www.svd.se

[Dagens Industri](#) www.di.se

[Goteborgs Posten](#) www.gp.se

[Sydsvenskan](#) www.sydsvenskan.se

The major trade fair venues in Sweden host approximately 3 million visitors each year. The largest is Svenska Massan (Swedish Exhibition and Congress Center) with 1.4 million visitors, followed by Stockholmsmassan (Stockholm International Fairs). There are also two smaller trade fair venues that are worth mentioning, Elmiamassan and Kistamassan. For further information on their programs please visit their websites:

[Svenska Massan](#) www.svenskamassan.se

[Stockholmsmassan](#) www.stockholmsmassan.se

[Elmiamassan:](#) www.elmia.se

[Kistamassan:](#) www.kistamassan.se

Commercial Service Stockholm can help your company plan promotional events and market your products and services in Sweden. Please visit our website: www.buyusa.gov/sweden for details on our programs and services.

General Legislation

Laws against misleading advertisements differ widely from member state to member state within the EU. To respond to this issue in the internal market, the Commission adopted a directive, in force since October 1986, to establish minimum and objective criteria regarding truth in advertising. The Directive was amended in October 1997 to include comparative advertising. Under the Directive, misleading advertising is defined as any "advertising which in any way, including its presentation, deceives or is likely to deceive the persons to whom it is addressed or whom it reaches and which, by reason of its deceptive nature, is likely to affect their economic behavior or which for those reasons, injures or is likely to injure a competitor." Member States can authorize even more extensive protection under their national laws.

Comparative advertising, subject to certain conditions, is defined as "advertising which explicitly or by implication identifies a competitor or goods or services of a competitor." Member States can, and in some cases have, restricted misleading or comparative advertising.

The EU's Audiovisual Media Services Directive lays down legislation on broadcasting activities allowed within the EU. Since 2009, the rules allowing for U.S.-style product placement on television and the three-hour/day maximum of advertising has been lifted. However, a 12-minute/hour maximum remains. The AMSD is currently under revision. The European Commission is aiming to extend the scope of the Directive to video-sharing platforms which tag and organize the content. The Commission is also aiming to provide more flexibility about the 12-minute/hour maximum restriction. Children's programming is subject to a code of conduct that includes a limit on junk food advertising to children. Following the adoption of the 1999 Council Directive on the Sale of Consumer Goods and Associated Guarantees, product specifications, as laid down in advertising, are considered as legally binding on the seller.

The EU adopted Directive 2005/29/EC concerning fair business practices in a further attempt to tighten consumer protection rules. These rules outlaw several aggressive or deceptive marketing practices such as pyramid schemes, "liquidation sales" when a shop is not closing down, and artificially high prices as the basis for discounts in addition to other potentially misleading advertising practices. Certain rules on advertising to children are also set out.

Key Links:

[Misleading Advertising](#)

[Unfair Commercial Practices Directive](#)

[Audio video Media Services](#)

Medicines

The advertising of medicinal products for human use is regulated by Council Directive 2001/83/EC, as amended by Directive 2004/27/EC. Generally speaking, the advertising of medicinal products is forbidden if market authorization has not yet been granted, or if the product in question is a prescription drug. Mentioning therapeutic indications where self-medication is not suitable is not permitted, nor is the distribution of free samples to the general public. The text of the advertisement should be compatible with the characteristics listed on the product label and should encourage rational use of the product. The advertising of medicinal products destined for professionals should contain essential characteristics of the product as well as its classification. Inducements to prescribe or supply a particular medicinal product are prohibited and the supply of free samples is restricted.

Key Link: [Health and Medicine](#)

Nutrition & Health Claims

On July 1, 2007, a regulation on nutrition and health claims entered into force. Regulation 1924/2006 sets EU-wide conditions for the use of nutrition claims such as “low fat” or “high in vitamin C” and health claims such as “helps lower cholesterol.” The regulation applies to any food or drink product produced for human consumption that is marketed in the EU. Only foods that fit a certain nutrient profile (below certain salt, sugar and/or fat levels) are allowed to carry claims. Nutrition and health claims are only allowed on food labels if they are included in one of the EU’s positive lists. Food products carrying claims must comply with the provisions of nutritional labeling Directive 90/496/EC and its amended version Directive 1169/2011.

In December 2012, a list of approved functional health claims went into effect. The list includes generic claims for substances other than botanicals which will be evaluated at a later date. Disease risk-reduction claims and claims referring to the health and development of children require an authorization on a case-by-case basis, following the submission of a scientific dossier to the European Food Safety Authority (EFSA). Health claims based on new scientific data will have to be submitted to EFSA for evaluation but a more simplified authorization procedure has been established.

The development of nutrient profiles, originally scheduled for January 2009, has been delayed. The original proposal has been withdrawn. In October 2015 the European Commission released a new roadmap on the potential development of nutrient profiles and botanicals. To obtain stakeholders’ inputs, two consultations and an external study was launched in mid-2017. The European Commission is now assessing the opportunity to proceed with a proposal and then potentially draft it. Nutrition claims, in place since 2006, can fail one criterion, i.e. if only one nutrient (salt, sugar, or fat) exceeds the limit of the profile, a claim can still be made provided the high level of that particular nutrient is clearly marked on the label. For example, a yogurt can make a low-fat claim even if it has high sugar content but only if the label clearly states “high sugar content.” A European Union Register of nutrition claims has been established and is updated regularly. Health claims cannot fail any criteria.

Detailed information on the EU’s Nutrition and Health Claims policy can be found on the USEU/FAS website at [USEU/FAS website](#) and in the [USDA Food and Agricultural Import Regulations and Standards EU 28 2017](#)

Key Link: [EU Register of Nutrition and Health Claims](#)

Food Information to Consumers

In 2015, the EU adopted a new regulation on novel foods ([2015/2283](#)) amending the provision of food information to consumers ([1169/2011](#)). Novel foods and food ingredients must not present a danger for the consumer or mislead them and should not differ from the ingredients that they are intended to replace to such an extent that normal consumption would represent a nutritional disadvantage for the consumer. It is important to mention that the European Commission may decide, on its own initiative or upon a request by a Member State, by means of implementing acts (a sort of decree), whether or not a particular food falls within the definition of novel food. More information can be found on the Commission’s website. Most provisions of the new Novel Foods Regulation become applicable on January 1, 2018.

Detailed information on the EU’s new food labeling rules can be found on the USEU/FAS website at [EU Labelling Requirements](#) and in the [USDA Food and Agricultural Import Regulations and Standards EU 28 2017](#)

Key link: [Provision on Food Information](#)

Food Supplements

[Directive 2002/46/EC](#) harmonizes the rules on labeling of food supplements and introduces specific rules on vitamins and minerals in food supplements. Ingredients other than vitamins and minerals are still regulated by Member States.

Regulation 1925/2006, applicable as of July 1, 2007, harmonizes rules on the addition of vitamins and minerals to foods. The regulation lists the vitamins and minerals that may be added to foods. This list was most recently revised in 2014. A positive list of substances other than vitamins and minerals has not been established yet, although it is being developed. Until then, member state laws will govern the use of these substances.

Key Link: [Labelling Nutrition Supplements](#)

Tobacco

The EU Tobacco Advertising Directive bans tobacco advertising in printed media, radio, and internet, as well as the sponsorship of cross-border events or activities. Advertising in cinemas and on billboards or merchandising is allowed, though these are banned in many Member States. Tobacco advertising on television has been banned in the EU since the early 1990s and is governed by the Audiovisual Media Services Directive. A 2016 revision to the legislation includes the requirement for bigger, double-sided health pictorial warnings on cigarette packages and possibility for plain packaging along with health warnings and tracking systems.

Key link: [Tobacco Products](#)

Pricing

Companies set prices individually. According to the Swedish Competition Act (which is in line with EU rules), companies are not allowed to practice price fixing. All goods and services are subject to VAT, which ranges from 6 percent to 25 percent (25 percent being the norm), 12 percent for food or hotel charges, and 6 percent for products such as newspapers, books and magazines, and admission fees for commercial sporting events and for transportation within Sweden. Products in Sweden are priced using the following formula: CIF price + import duty + excise tax + profit + VAT.

Sales Service/Customer Support

Conscious of the discrepancies among Member States in product labeling, language use, legal guarantee, and liability, the EU institutions have launched a number of initiatives aimed at harmonizing national legislation to avoid consumer frustrations seeking redress in cross-border transactions. Suppliers within and outside the EU should be aware of existing and upcoming legislation affecting sales, service, and customer support.

Product Liability

Under the 1985 Directive on Liability of Defective Products, amended in 1999, the producer is liable for damage caused by a defect in his product. The victim must prove the existence of the defect and a causal link between defect and injury (bodily as well as material). A reduction of liability of the manufacturer is granted in cases of negligence on the part of the victim. The first step in the review process of this law was launched at the end of 2016.

Key link: [Liability of Defective Products](#)

Product Safety

The 1992 General Product Safety Directive introduced a general safety requirement at the EU level to ensure that manufacturers only place safe products on the market. It was revised in 2001 to include an obligation on the producer and distributor to notify the Commission in case of a problem with a given product, provisions

for its recall, the creation of a European Product Safety Network, and a ban on exports of products to third countries that are not deemed safe in the EU. The legislation is still undergoing review.

Key link: [Product Safety Legislation](#)

Legal Warranties and After-sales Service

Under the 1999 Directive on the Sale of Consumer Goods and Associated Guarantees, professional sellers are required to provide a minimum two-year warranty on all consumer goods sold to consumers (natural persons acting for purposes outside their trade, businesses, or professions), as defined by the Directive. The remedies available to consumers in case of non-compliance are:

- Repair of the good(s);
- Replacement of the good(s);
- A price reduction; or
- Rescission of the sales contract.

Key link: [Sales and Guarantees](#)

Protecting Intellectual Property

Several general principles are important for effective management of intellectual property (IP) rights in the EU. First, it is important to have an overall strategy to protect your IP. Second, IP may be protected differently in the EU than in the United States. Third, rights must be registered and enforced in the EU under Swedish laws. For example, your U.S. trademark and patent registrations will not protect you in the EU. There is no such thing as an “international copyright” that will automatically protect an author’s writings throughout the entire world.. However, most countries do offer copyright protection to foreign works in accordance with international agreements.

Granting patents registrations generally is based on a first-to-file (or first-to-invent, depending on the country) basis. Similarly, registering trademarks is based on a first-to-file (or first-to-use, depending on the country), so you should consider how to obtain patent and trademark protection before introducing your products or services to the EU market. It is vital that companies understand that intellectual property is primarily a private right and that the U.S. government cannot enforce rights for private individuals in the EU. It is the responsibility of the rights holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in EU law. The U.S. Commercial Service can provide a list of local lawyers upon request.

While the U.S. government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the U.S. government can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. government advice be seen as a substitute for the responsibility of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in the EU require constant attention. Work with legal

counsel familiar with the EU laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small- and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both EU or U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the United States and other countries -- call the STOP! Hotline: **1-866-999-HALT** or visit [STOP Fakes](#)
- For more information about registering trademarks and patents (both in the United States as well as in foreign countries), contact the [U.S. Patent and Trademark Office](#) (USPTO) at: **1-800-786-9199**
- For more information about registering for copyright protection in the United States, contact the [U.S. Copyright Office](#) at: **1-202-707-5959**.
- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, please visit the “Resources” section of the [STOPfakes website](#).
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: [STOPfakes Business tools](#). The toolkits contain detailed information on protecting and enforcing IP in specific markets and also contain contact information for local IPR offices abroad and U.S. government officials available to assist SMEs.

In any foreign market companies should consider several general principles for effective protection of their intellectual property. For background, please link to our article on [Protecting Intellectual Property \(at <https://www.uscib.org/register-and-apply-ud-859/>\)](#) and [Stopfakes.gov](#) for more resources).

The U.S. Department of Commerce has positioned IP attachés in key markets around the world. Contact information for European based IP attachés in below:

Sweden (European Union)

Susan Wilson: Susan.Wilson@trade.gov

For more information, contact ITA's Office of Intellectual Property Rights Director, Stevan Mitchell at Stevan.Mitchell@trade.gov.

Due Diligence

Product safety testing and certification is mandatory for the EU market. U.S. manufacturers and sellers of goods have to perform due diligence in accordance with mandatory EU legislation prior to exporting.

The Commercial Service in Stockholm offers the International Company Profile service which provides background reports on potential agents and distributors, as well as other Swedish firms.

For more information on the ICP program please see our website:

https://2016.export.gov/nordics/servicesforu.s.companies/index.asp#P61_2019

Credit reports on Swedish companies can also be obtained by contacting any of the sources below:

[Dun & Bradstreet Sverige AB:](http://www.dnbsweden.se) <http://www.dnbsweden.se>

[UC AB](#), (The Swedish Business and Credit Information Agency, jointly owned by all Swedish commercial banks)

In any foreign market companies should consider several general principles for effective management of their intellectual property. For background on these principles please link to our article on [Protecting Intellectual Property](#) and also [Corruption](#).

Local Professional Services

Service providers focusing on EU law, consulting, and business development can be viewed on the website maintained by the Commercial Service at the U.S. Mission to the European Union at: <http://export.gov/europeanunion/businessserviceproviders/index.asp>

Please contact the US Commercial Service - Stockholm at office.stockholm@trade.gov for inquiries and contact information for local professional services.

Principle Business Associations

[American Chamber of Commerce in Sweden](#)

[Business Sweden](#)

[Domain registration](#)

[Swedish Association of Agents](#)

[Swedish Companies Registration Office](#)

[Swedish Competition Authority](#)

[Swedish Franchise Association](#)

[Swedish Newspaper Publishers' Association](#)

[Swedish Companies Registration Office \(Bolagsverket\)](#)

[Swedish Trade Federation \(Svensk Handel\)](#)

Limitations on Selling US Products and Services

All citizens or sub-sets of the population of Sweden can own and sell manufacturing products or services across the board therefore no particular limitations apply.

Web Resources

EU websites:

[Agreements of Minor importance which do not appreciably restrict Competition under Article 101\(1\) of the Treaty establishing the European Community](#)

[Consumer Rights Directive](#)

[Coordination of the laws of the Member States relating to self-employed commercial agents \(Council Directive 86/653/EEC\)](#)

[Copyright](#)

[Distance Selling of Financial Services](#)

[Directive on Late Payment](#)

[E-commerce Directive \(2000/31/EC\)](#)

[European Franchise Federation](#)

[European Ombudsman](#)

[European Patent Office \(EPO\)](#)

[EU Data Protection Home page](#)

[EU Intellectual Property Office \(EUIPO\)](#)

[EU VAT Directive 2006/112/EC and its Implementing Regulation 282/2011](#)

[EU-28 FAIRS EU Country Report on Food and Labeling requirements](#)

[EU-U.S. Privacy Shield](#)

[EU's Data Protection Directive \(95/46/EC\)](#)

[EU's General Data Protection Regulation \(GDPR\)\(2016/676/EC\)](#)

[Health & Nutrition Claims](#)

[Information on contracts for transferring data outside the EU](#)

[Legal Warranties and After-Sales Service](#)

[Nutrition and Health claims made on foods- Regulation 1924/2006](#)

[Product Liability](#)

[Product Safety](#)

[Regulation on Food Information to Consumers](#)

[Tobacco Policy](#)

[Unfair Commercial Practices Directive /](#)

[World Intellectual Property Organization \(WIPO\) Madrid](#)

U.S. websites:

[EU Public Procurement](#)

[IPR Toolkit](#)

[Local Professional Services](#)

Swedish Websites:

Business Sweden	www.business-sweden.se
Swedish Companies Registration Office	www.bolagsverket.se/en
Swedish Franchise Association	www.svenskfranchise.se/
Swedish Media Publishers' Association	http://tu.se/tu-in-english/
Swedish Tax Agency:	
www.skatteverket.se/servicelankar/otherlanguages/inenglish.4.12815e4f14a62bc048f4edc.html	
Swedish Trade Federation	www.svenskhandel.se/om-svensk-handel/in-english/

Sources/Reports

[Postnord eBarometern Q1 Cross-Border Report](http://www.postnord.se/foretag/foretagslosningar/e-handel/e-handelsrapporter-och-kundcase/e-barometern) (in Swedish):
www.postnord.se/foretag/foretagslosningar/e-handel/e-handelsrapporter-och-kundcase/e-barometern

[Postnord eBarometern Annual Report 2017](http://www.postnord.se/foretag/foretagslosningar/e-handel/e-handelsrapporter-och-kundcase/e-barometern) (in Swedish):
www.postnord.se/foretag/foretagslosningar/e-handel/e-handelsrapporter-och-kundcase/e-barometern

[The Swedes and the internet 2017](http://www.iis.se/docs/Svenskarna_och_internet_2017.pdf) (in Swedish) www.iis.se/docs/Svenskarna_och_internet_2017.pdf

Professional services

Baker & McKenzie Advokatbyrå AB	www.bakermckenzie.com
Delphi & Co Advokatfirma	www.Delphi.se
Kilpatrick Townsend & Stockton Advokatbyrå	www.kilpatricktownsend.com/
White & Case Advokat AB	www.whitecase.com
Dun & Bradstreet Sverige AB:	www.dnbsweden.se
UC AB	www.uc.se

Leading Sectors for US Exports & Investments

Agricultural Sector

Overview

Sweden is a sophisticated market featuring affluent, well-educated, and open-minded consumers who speak very good English and spend 12 percent of their disposable income on food. Sweden's location as one of the world's most northern countries means that the growing season in Sweden is comparatively short. Sweden therefore relies on imports. In 2017, Sweden imported an estimated USD 225 million of agricultural, fish, and forestry products from the United States. U.S. products have a good quality image; however, after shipping costs, import duties, and taxes the product may not be price competitive compared to other suppliers.

It is highly recommended exporters study the Swedish import requirements carefully. Competition is fierce on price, quality, uniqueness, and innovation, and there is competition from EU Member States (MS) who benefit from the protection afforded by EU tariffs and non-tariff trade barriers.

Agricultural and Related Imports, In USD million	2014	2015	2016	2017 (Estimated)

Total Local Production	n.a.	n.a.	n.a.	n.a.
Total Exports	14,732	12,735	13,335	10,614
Total Imports	20,201	17,561	18,414	18,467
Imports from the US	284	278	254	225
Total Market Size	n.a.	n.a.	n.a.	n.a.
Exchange Rates	n.a.	n.a.	n.a.	n.a.

Source: World Trade Atlas

Leading Sub-Sectors

Although a small market, Sweden offers export opportunities for U.S. exporters of specialty foods, wine, craft beer, almonds, and organic products.

Sweden, Best High-Value Products Prospects, \$1,000

Product	Total Imports 2017	Imports from U.S 2017 (U.S. market share)	Key constraints over market development	Market attractiveness for USA
Wine HS2204	727,550	37,970 (5%)	Wines from France, Italy, and Spain are very popular. South African, Chilean, and Argentine wines are popular New World wines.	Sweden does not produce wines and therefore depends on imports.
Almonds HS080212	31,818	14,993 (47%)	Competition from Spanish organic almonds	Strong demand from bakeries and snack companies.
Beer HS2203	129,224	26,630 (21%)	Competition from Czech Republic, Belgium, and the United Kingdom	The Swedes love specialty craft beers from microbreweries
Sauces & Condiments HS210390	141,719	19,282 (14%)	Competition from other EU MS and also Thailand	Growing demand for sauces, preparations, condiments, and seasoning due to Swedish strong grilling tradition, especially during the summer
Walnuts HS080232	20,385	5,058 (25%)	Some competition from France and Moldova	Growing demand from the snack industry and bakeries
Sauces & Preparations HS210390	141,719	19,282 (14%)	Competition from Thailand and other EU MS	The Swedes like to BBQ and use sauces as an ingredient in dishes
Non-alcoholic beverages HS2202	254,052	4,792 (2%)	Competition from other EU MS	The Swedes like well-known branded and innovative beverages

Opportunities

Swedes have an interest in experimenting with new and innovative products and cuisines. There is a growing demand for fresh, organic, and free-from food products due to a greater awareness regarding health. Swedish buyers regularly travel the world to see/buy new product and make new contacts, so exporters should consider exhibiting at one of Europe's trade shows (see partial list below).

Web Resources

The Agricultural Service at the American Embassy in The Hague represents the interest of the USDA's Foreign Agricultural Service (FAS) in the Netherlands and Nordic countries.

[FAS Data & Analysis Sweden:](#)

<https://www.fas.usda.gov/regions/europe-and-eurasia/sweden>

[Global Agricultural Trade System Online:](#)

<https://apps.fas.usda.gov/gats/default.aspx>

[Swedish Board of Agriculture:](#)

<http://www.jordbruksverket.se/swedishboardofagriculture.4.6621c2fb1231eb917e680002462.html>

Trade shows

[International confectionary Fair \(ISM\)](#)

Cologne, Germany
Jan 27-30, 2019

Contact hanna.khan@fas.usda.gov
Tel: +49-3083-05-1152

[Fruit Logistica*](#)

Berlin, Germany
Feb 6-8, 2019

Contact hanna.khan@fas.usda.gov
Tel: +49-3083-05-1152

[BioFach*](#)

Nüremberg, Germany
Feb 13-16, 2019

Contact hanna.khan@fas.usda.gov
Tel: +49-3083-05-1152

[ProWein](#)

Düsseldorf, Germany
March 17-19, 2019
Annually

Contact hanna.khan@fas.usda.gov
Tel: +49-3083-05-1152

[PLMA World of Private Label](#)

Amsterdam, The Netherlands
May 21-22, 2019

Contact marcel.pinckaers@fas.usda.gov
Tel: +31-70-3102-305

[SIAL*](#)

Paris, France
Oct 21-25, 2019

Contact laurent.journo@fas.usda.gov
Tel: +33 14312 2245

Bi-annual

Advanced Manufacturing

Overview

Sweden has a strong and successful manufacturing/industrial engineering sector that accounts for 21 percent of the country's GDP or USD 103 billion, with advanced manufacturing bringing in approximately USD 37 billion. The sector accounts for 77 percent of Swedish exports and creates over 1 million jobs. The most

important sub-sectors are found in traditional industries, such as steel, automotive, chemical, and forestry. They are also found in metal products, industrial machinery and equipment, and automation and food processing equipment.

In 2016, the Swedish government launched a strategy for its smart industrialization with four key focus areas: digitalization, sustainable and resource-efficient production, creating industrial talent, and promoting innovation. The strategy stipulated 45 concrete measures for technology development, connectivity, automation, new business and production model creation, and increased competitiveness. Phase two of the strategy, a Roadmap for Smart Industrialization, was launched in late 2017. While the key focus areas remain the same, there are 37 new measures including automation and robotics programs for SMEs; national test labs for electric vehicle production; and zero emission programs and incentives for energy intensive industries.

Sufficient investment in both R&D and innovation will continue to enable a successful sector transformation. Currently the industries' annual R&D investments are around USD 12 billion.

Sweden has strong ICT and industrial internet sectors, which combined with its high level of education and ability to cooperate effectively across industries, academia, and government, makes Sweden an attractive market for new technologies.

U.S. market share of the Swedish advanced manufacturing market is about 3 percent and the main competitors include other EU countries and Asia.

Leading Sub-Sectors

Additive Manufacturing: Swedish manufacturers were early adopters of 3D printing techniques. Both component and tool manufacturers have been eager to test new manufacturing methods and materials alongside traditional tooling and Computer Numerical Controlled machining. To advance the full potential of additive manufacturing, Swedish industrial research group Swerea has established an Arena for Additive Manufacturing of Metals to develop and test technologies, materials, and knowledge.

Agile Manufacturing: Ever since Toyota's "just-in-time" philosophy in the 1970's, Swedish manufacturers have been developing and testing more efficient production methods. Several innovation and research institutes offer various Lean Production programs and education, and especially SMEs are keen to turn their production facilities into factories of the future with quick response capabilities, flexibility, and augmented and virtual reality applications that reduce lead times.

Digital Manufacturing: To remain globally competitive, Swedish manufacturers are in the process of digitalizing their production, their services, and in many cases their products. Use of the industrial internet of things solutions, system integration, and digital thread, intelligent machining, CAD, and CAM modeling and advanced analytics varies from industry to industry. While IT and automation have always been an integral part of process of some industries, in many other industries, such as automotive and machinery, the effect of digitalization will be more disruptive and require additional time and resources.

Opportunities

The Swedish Innovation Agency, Vinnova, invests USD 358 million annually on fostering innovation by co-funding projects for companies, academia and organizations. When it comes to advanced manufacturing, the projects range from connected industry and new materials to 5G in manufacturing and machine learning to AI and industrial gamification. A majority of the projects are available for international participants. They are funded as PPPs and in some cases additional funding from EU programs, such as Horizon2020, is also available.

The private sector opportunities follow the priorities of the Roadmap for Smart Industrialization and some of the opportunities for U.S. exporters of products and services by sub-sector include:

Additive Manufacturing: advanced 3D printers and CAD and CAM programs; advanced printing materials; large scale production capabilities.

Agile Manufacturing: factory-of-future models; augmented and virtual reality applications for lean production; QRM solutions.

Digital Manufacturing: IIoT solutions; Big Data analytics models; PLM solutions; AI and advanced robotics; Six Sigma solutions; intelligent machining.

Web Resources

[Government Offices of Sweden \(www.government.se\)](http://www.government.se)

[Swedish Association of Additive Manufacturing \(www.sveat.se\)](http://www.sveat.se)

[Swedish Engineering Companies \(www.teknikforetagen.se\)](http://www.teknikforetagen.se)

[Swedish Innovation Agency Vinnova \(www.vinnova.se\)](http://www.vinnova.se)

[Swedish Research Swerea \(www.swerea.se\)](http://www.swerea.se)

Trade Events

Automation Summit 2018, Oct 9, 2018, Gothenburg

<http://www.automationsummit.se>

Conference on digitalization and industrial automation

Scanautomatic & Process Technology, Oct 9-11, 2018, Gothenburg

<http://en.scanautomatic.se> and <https://en.processteknik.info>

Two parallel trade shows on new industrial automation technologies, business models, and knowledge transfer

Embedded Conference Scandinavia, Nov 6-7, 2018, Stockholm

<http://www.embeddedconference.se>

Conference on IoT, advanced electronics and digitalization

Cyber Security

Overview

Sweden is one of the most well-connected countries in the world with over 95 percent of the population having access to internet. With ever-growing online activity, reported instances of cybercrime are on the rise. A recent Symantec survey estimated that in 2017, every 5th Swede was exposed to some form of cybercrime, resulting in total financial losses of almost USD 4 billion. Furthermore, according to the Swedish National Defense Radio Establishment (FRA), there were over 10,000 attempted cyber security attacks against Swedish entities every month during 2017.

In June 2017, the Swedish government launched a national strategy for cyber security to comply with the EU Directive on network and information systems security with the following six priority areas:

- (1) securing a systematic and comprehensive approach in cyber security efforts;
- (2) enhancing network, product, and system security;
- (3) enhancing capability to prevent, detect, and manage cyberattacks and other IT incidents;
- (4) increasing the possibility of preventing and combating cybercrime;
- (5) increasing knowledge and promoting expertise; and
- (6) enhancing international cooperation.

Furthermore, in June 2018, the Swedish government passed a new law on IT security for critical and digital service sectors that will apply to operators of network services in seven societally important sectors: (1) energy, (2) transportation, (3) banking operations, (4) financial infrastructure, (5) healthcare, (6) drinking water supply, and (7) digital infrastructure. The law will come to effect on August 1, 2018, and it stipulates the operators to take appropriate security measures to protect the networks and to report serious incidents to the relevant national authority.

<i>Unit: USD millions</i>	2015	2016	2017	2018 (Estimated)
Total Local Production	576	623	758	765
Total Exports	34	36	38	40
Total Imports	458	463	480	500
Imports from the US	82	86	90	94
Total Market Size	1.000	1.050	1.200	1.225
Exchange Rates	8.4	8.5	8.4	8.8

(total market size = (total local production + imports) - exports)

Please note that the local production data is based on industry estimates

Sources:

Global Trade Atlas

U.S. Department of Commerce Bureau of Economic Analysis

LSEC

SCB – Statistics Sweden

Leading Sub-Sectors

- *Application Security*: vulnerability assessment and analysis tools, patch management software, content filtering and monitoring software;
- *Identity and Access Based Services*: intrusion detection systems, authentication systems, anomaly detection & prevention systems, messaging security, access management systems;
- *Situational Awareness*: Deep & Dark Web investigation services, attack trend analysis services, intrusion response services;
- *System Recovery and Data Cleansing*: automated data cleansing tools, validation and verification tools, de-duplication software.

Opportunities

The public sector and critical infrastructure sectors (transportation, energy, and communications) account for roughly 30 percent of the cyber security solutions demand. Investments in cyber security are expected to continue to grow in 2018 due to both an overall increase in IT security awareness and the new regulatory frameworks.

Other sectors with high IT security demand are the financial (fintech) and advanced manufacturing sectors. Fintech companies account for 20 percent of all private sector IT spending, and according to a 2017 FICO/Ovum Swedish fintech market survey, 80 percent of the companies interviewed for the survey are planning to further improve their corporate IT security through 2019.

The legacy manufacturing companies are in the process of digitalizing parts of their production with increased systems' integration, connected devices, and both raw and analyzed data moving to cloud-based platforms. Industrial cyber security has a wider scope than traditional IT security, as it involves the company's products and production processes with sensitive IPR information Demand for applications such as enhanced Industrial Control Systems (ICS) capabilities and operational technology (OT) security platforms is increasing.

Public Procurement

There is no national database for public sector contracts in Sweden. Instead, the contracts are available on several private sector databases, listed on the [National Agency for Public Procurement](#) website. Procurements that exceed specific contract values, are also published in the [EU database TED](#).

Web Resources

[Data Inspection Board](http://www.datainspektionen.se/in-english) (<http://www.datainspektionen.se/in-english>)

[Internet Security](https://www.informationssakerhet.se) (<https://www.informationssakerhet.se>)

[Swedish Civil Contingencies Agency](https://www.msb.se/en/) (<https://www.msb.se/en/>)

[Swedish Cyber Security Policy](http://www.government.se/government-policy/ict-policy/) (<http://www.government.se/government-policy/ict-policy/>)

[Swedish Post and Telecom Authority](https://www.pts.se/en-GB/) (<https://www.pts.se/en-GB/>)

Trade Events

[Nordic IT Security](#), Nov 15, 2018, Stockholm

<https://www.nordicitsecurity.com/>

[SecTech Sweden](#), November 19 - 20, 2019, Stockholm

<https://www.securityworldmarket.com/sectech/se/en/>

eHealth

Overview

Today, eHealth is an integrated part of the healthcare sector in Sweden. The County Councils invest some USD 1.2 billion annually in healthcare IT, of which USD 0.9 billion is used for the purchase of equipment and supplies. Approximately 95 percent of all health records are electronic healthcare records (EHRs), while specialized hospital care constitutes 69 percent of total hospital care. E-prescriptions are very popular, and about 95 percent of all Swedish prescriptions are issued electronically.

Three political and administrative bodies control health care for the country: the central government, the county councils, and the municipalities. The 21 county councils have the responsibility to provide health and medical services and to work for a good standard of health among the population. The County Councils decide on the allocation of the resources to the health services and are responsible for the overall planning of the services offered. The County Councils own and run the hospitals, health centers, and other institutions. The 290 municipalities are responsible for nursing homes, as well as care of the elderly and the disabled. Private health care, accounting for some twelve percent of total health care costs, mainly provides primary care services like health care centers or homes for the elderly. There are a few hospitals that are managed by private entrepreneurs.

In the e-health sector, many Swedish software companies have developed IT systems for the healthcare market and large Swedish players dominate the hospital and primary care markets for software. U.S. companies active in the market include Microsoft, Hewlett Packard, IBM, and Cerner.

Opportunities

U.S. firms interested in the Swedish market should visit Vitalis (Gothenburg, 21-23 May, 2019) to meet with Swedish firms and decision makers, especially within healthcare-ICT interaction such as telemedicine and m-health.

Web Resources

[Ministry of Health and Social Affairs](#)

(www.government.se/government-of-sweden/ministry-of-health-and-social-affairs/)

Trade events

[Mötesplats välfärdsteknologi och e-hälsa \(MVTE\)](#) January 22 – 23, 2019, Stockholm, Sweden

<http://mvte.se/>

[Vitalis](#) May 21 – 23, 2019, Gothenburg, Sweden

<https://vitalis.nu/>

Healthcare procurement

Public tenders above specific contract values are published in the EU database [TED](#). Sweden has no public database listing contracts with lower values. Instead, they are housed on private sector databases. The major firms providing these are listed on the [National Agency for Public Procurement](#) website.

All public tenders regarding provision of private healthcare services are published at [Valfrihetswebben](#).

Government agencies and regulators, trade associations

[Inera](#) (www.inera.se)

[National Agency for Public Procurement \(www.upphandlingsmyndigheten.se\)](http://www.upphandlingsmyndigheten.se)

[National Board of Health and Welfare \(www.socialstyrelsen.se\)](http://www.socialstyrelsen.se)

[Swedish Association of Local Authorities and Regions \(www.skl.se\)](http://www.skl.se)

[Swedish e-Health Authority \(www.ehalsomyndigheten.se\)](http://www.ehalsomyndigheten.se)

[Swedish Medtech \(www.swedishmedtech.se\)](http://www.swedishmedtech.se)

Local Commercial Specialist: Johan Bjorkman, johan.bjorkman@trade.gov

Medical Equipment

Overview

Sweden's healthcare system is one of most well-developed in the world. Sweden spends about 12 percent of its GDP on health and medical services, which is on par with most other European countries. The infant mortality rate is less than 2.5 deaths per 1,000 in the first year of life and the average life expectancy is 81 years for men and 84 years for women. As Sweden has a population that is one of the oldest in the world, 19.8 percent are 65 years or older, there will be increasing demand for medical equipment and supplies, and longer medical treatments, to meet the health needs of an ageing population.

According to Business Monitor International, the Swedish market for medical equipment is estimated at USD 2.4 billion in 2018 (up from USD 2.3 billion in 2017). Business Monitor, ranks Sweden as the fourth most attractive market in Western Europe in which to commercialize a medical device. Over the coming years, the market is expected to show moderate growth, around 3 percent per annum. Domestic production is strong in areas such as wheelchairs, hospital furniture, sterilizers, and blood pressure monitors. As most of the domestic manufacture is for export (estimated value at USD 1.6 billion in 2016), the medical equipment market is dependent on imports. In 2016, imports were estimated at USD 1.7 billion.

Three political and administrative bodies control health care for the country: the central government, the county councils, and the municipalities. The 21 county councils have the responsibility to provide health and medical services and to work for a good standard of health among the population. The County Councils decide on the allocation of the resources to the health services and are responsible for the overall planning of the services offered. The County Councils own and run the hospitals, health centers, and other institutions. The 290 municipalities are responsible for nursing homes, as well as care of the elderly and the disabled. Private health care, accounting for some twelve percent of total health care costs, mainly provides primary care services like health care centers or homes for the elderly. There are a few hospitals that are managed by private entrepreneurs.

U.S. firms interested in entering the Swedish market will find that the market is highly competitive and are, therefore, should establish a local presence, either through local agents and distributors or sales subsidiaries. Sweden has 60 hospitals, eight of which are regional hospitals offering highly specialized care and where most teaching and research is based. There are about 33,000 doctors in Sweden, one for every 300 inhabitants.

Leading Sub-Sectors

The best sales potential for U.S.-manufactured medical equipment is expected to be in the following areas:

- Non-invasive surgical equipment
- Orthopedic and prosthetic equipment
- Home healthcare – equipment and supplies

Opportunities

Swedish health care facilities are currently in the midst of a construction and renovation boom. All major County Councils are involved in construction and renovation projects, including the reconstruction of old hospitals or the building of new hospitals, such as the new Karolinska Hospital in Solna/Stockholm. Once these projects are completed, an increased demand for new equipment and supplies will follow.

Web Resources

[Inera \(www.inera.se\)](http://www.inera.se)

[National Agency for Public Procurement \(www.upphandlingsmyndigheten.se\)](http://www.upphandlingsmyndigheten.se)

[National Board of Health and Welfare \(www.socialstyrelsen.se\)](http://www.socialstyrelsen.se)

[Swedish Association of Local Authorities and Regions \(www.skl.se\)](http://www.skl.se)

[Swedish e-Health Authority \(www.ehalsomyndigheten.se\)](http://www.ehalsomyndigheten.se)

[Swedish Medtech \(www.swedishmedtech.se\)](http://www.swedishmedtech.se)

Local Commercial Specialist: Johan Bjorkman, johan.bjorkman@trade.gov

Smart Built Environment Technologies

Overview

The Swedish construction industry has an approximate annual turnover of USD 80 billion and the estimated value of the real estate stock is USD 785 billion, excluding the value of infrastructure, such as roads, bridges, railway, harbors, and airports. According to the Swedish Construction Federation, the sector employs 330,000 people and in 2017 the investments amounted to USD 54 billion, which accounts for 10 percent of GDP.

The civil engineering/urban development sector (real estate companies, construction material companies, architects and consultants) has an annual turnover of USD 144 billion and employs 500,000 people, which equals 11 percent of the total work force in Sweden.

The U.S. share of the market is currently 3 percent, mainly in the form of building automation and control systems and highly specialized design services, such as data center construction.

Sweden has ambitious plans to become fossil fuel free by 2045 and the built environment is one of the key areas in this plan. There are several government programs on energy efficient and smart construction and the National Housing Board also provides recommendations and statutes for both new construction and for renovation and retrofit. These programs and recommendations aim to reduce the built environment sector's environmental impact, shorten planning and construction times, reduce total construction costs, and facilitate new business models for the sector.

Leading Sub-Sectors

Smart built environment is a wide sector ranging from sustainable construction technologies to digital services. Some of the leading sub-sectors include:

- Low- and plus-energy energy construction methods;

- Energy efficient retrofit technologies and windows, doors, and insulation materials;
- Energy efficient building supplies and materials;
- Innovative HVAC solutions and heat recovery ventilation system;
- Building performance measurement systems for energy and water use;
- Building automation and service integration solutions for connected, smart homes and offices.

Opportunities

Sweden stands in the forefront of smart and energy-efficient construction in the EU, and there are several national and municipal public-private sector strategic innovation projects in place across the country, ranging from awareness creation to digitalization. These projects provide good opportunities for U.S. companies providing products and services in the design and construction sector.

Smart Built Environment Program is a 12-year strategic research and innovation program 2016-2028, aiming to create new knowledge, skills, services, and products through the integration of Building Information Modeling and Industrialized Construction. Opportunities exist for U.S. companies providing BIM and GIS solutions.

The municipal project Royal Seaport is a climate positive, fossil fuel free suburb with carbon dioxide emissions less than 1.5 tons per person. The apartments are interactive and provide the tenants tools to manage every aspect of their living. The construction started in 2011 and is due to finish in 2030. Opportunities exist for U.S. companies providing digital services and sensor technologies.

The Million Homes Retrofit Program is the government's modernization and renovation of the suburban public housing stock from 1960s-1970s. The retrofit includes reducing water use, installing garbage disposals for converting waste to biogas, improving insulation, replacing windows and doors to decrease energy use, and installing geo-thermal heating. Opportunities exist for U.S. companies providing sustainable and energy efficient building materials.

Citylab Action is a sustainable urban development program by the Swedish Green Building Council created to help development projects become qualitative and effective. Opportunities for U.S. urban development and infrastructure consultants, but also smart grid, HVAC, and building material providers.

Web Resources

[Byggmaterialindustrierna](http://www.byggmaterialindustrierna.se) (www.byggmaterialindustrierna.se)

[National Board of Housing, Building & Planning](http://www.boverket.se) (www.boverket.se)

[Stockholm Royal Seaport](http://www.stockholmroyalseaport.com/) (<http://www.stockholmroyalseaport.com/>)

[Swedish Construction Federation](http://www.bygg.org) (www.bygg.org)

[Swedish Green Building Council](http://www.sgbc.se) (www.sgbc.se)

Trade Events

[The Nordic Architecture Fair](http://www.nordicarchitecture.se), October 15-16, 2019, Gothenburg

<http://www.nordicarchitecture.se>

[Building Sustainability 2018](http://www.buildingsustainability.com), October 24-25, 2018, Stockholm

<http://buildingsustainability18.se/>

Local Commercial Specialist: Tuula Ahlstrom, tuula.ahlstrom@trade.gov

Automotive Parts & Accessories

Overview

Sweden, with a population of about 10 million, had 5 million vehicles registered in June 2018. The automotive industry plays a central part in the Swedish economy; motorized vehicles are the top export and the three major automotive manufacturers, Geely owned Volvo Cars, Scania, and Volvo Group, together employ about 170,000 people, of which 50,000 are staffed in Sweden.

Current the market is trending towards environmentfriendly vehicles and electric vehicles, and 65,000 new environment freindly classified cars were sold in 2017. Overall, 2016 new car sales totaled 380,000. US brands are generally small on the Swedish market, with Ford as the only manufacturer among the top 25 in terms of passenger cars market share.

The heavy and medium truck market, dominated by Swedish manufacturers Scania and Volvo, imported 61 units from US suppliers in 2016, or 1 percent of overall sales in the market. Similarly, total US exports of automotive parts and accessories to Sweden was worth USD 98 million in 2016, accounting for approximately 1-2 percent of the total import market in Sweden.

Sweden is a global leader in renewable energy and alternative fuels use. The Swedish government has pledged to cut CO₂ emissions by 40 percent in 2030 relative to 1990 levels, and provides subsidies (supermiljöbilspremie) and vehicle tax cuts to people buying environment friendly classified vehicles. These incentives have arguably caused a shift in sales from gasoline cars towards environment friendly cars. New registers of environment friendly cars have doubled in the past four years, from 30,000 in 2013 to 65,000 in 2017.

In the subset of environmental friendly classified vehicles, electric cars are on the rise. Absolute numbers are still quite low, with only 7,500 electric cars and 74,000 electric/plug-in hybrids registered in total in 2016. The share of sales of electric and electric hybrid vehicles have increased steadily in the last ten years, however, from 1 percent in 2006 to 7 percent in 2016. Manufacturers are focusing more and more resources into electricity and recent developments include the launch of the world's first eHighway in Gävle as well as Volvo's launch of a separate electric car brand, Polestar, to compete with Tesla. This trend is likely to continue for the foreseeable future. Trafikanalys, Sweden's government agency for transport policy analysis, estimates that the share of newly registered electric/hybrid vehicles will continue to grow up to approximately 30 percent by 2020. So good prospects exist for products in this segment.

Another trend is autonomous vehicles, where Sweden is at the forefront of driverless technology. To foster its development, the Swedish government launched Drive Sweden in 2015, a Strategic Innovation Program between companies, government agencies, and universities. While still early in development, recent advances include Drive Me, a project by Volvo where 100 fully autonomous cars are used by 'normal' consumers in real-life traffic in Gothenburg, as well as Scania's autonomous truck platoon system, which will be piloted in Singapore.

Leading Sub-Sectors

Generally, Sweden offers a good market for high-quality and technically sophisticated automotive products. Good prospects exist for products within the safety and environment sectors. Swedes are very safety conscious and the manufacturers are known to follow high safety standards.

In regards to the aftermarket, OEMs and IAMs split the market 50-50 and the aggregate turnover of IAMs is estimated to USD 2.9 billion. With a large fraction of outdated cars (more than half of all Swedish passenger cars are older than 10 years), and ever increasing technological sophistication and environmental and safety rules, there is a growing need for properly-equipped auto shops that can meet the demand for repair and maintenance. Overall however, the aftermarket is a stable market with 1-2 percent annual growth

Classic US cars and muscle cars are very popular in Sweden. The Swedish Federation of Historic Vehicle Clubs has 200 registered member clubs with over 100,000 members. They estimate that there are at least 250,000-300,000 historic vehicle enthusiasts in Sweden.

Opportunities

Customizing cars is a trend, and many Swedes consider the United States to be the leading country when it comes to styling and tuning of cars, especially vintage American vehicles. Best prospects for customizing cars are tires and wheels, lowering kits, exhaust systems, body kits, spoilers, lighting equipment, and stereo and video equipment.

Moreover, due to the long, cold, and dark winters, equipment such as engine heaters, winter tires, roof boxes for skis, and extra lights are in demand. Good prospects thus exist for such products that deal with the Swedish climate.

Web Resources

[BIL Sweden](http://www.bilsweden.se) (www.bilsweden.se)

[FKG \(The Scandinavian Automotive Supplier Association\)](http://www.fkg.se/en/home) (www.fkg.se/en/home)

[MRF \(Motorbranschens Riksförbund\)](http://www.mrf.se) (www.mrf.se)

[SBF \(The Association of Swedish Wholesalers of Automotive Parts and Accessories\)](http://www.bildelsgrossisterna.se),
(www.bildelsgrossisterna.se)

Trade Events

Electric cars: [eCar Expo 2018](http://ecarexpo.se) Nov 30-Dec 2, 2018, Gothenburg, Sweden

<http://ecarexpo.se>

Truck exhibition: [Elmia Lastbil 2018](https://www.elmia.se/en/lastbil/) August 22-25, 2018, Jönköping, Sweden,

<https://www.elmia.se/en/lastbil/>

Scandinavia's largest car and motorcycle exhibition with 300 companies and 75,000 visitors:

[Bilsport Performance & Custom Motor Show](http://www.custommotorshow.se/) April 19-22, 2019, Jönköping, Sweden

<http://www.custommotorshow.se/>

Local Commercial Specialist: Johan Bjorkman, johan.bjorkman@trade.gov

Travel and Tourism

Overview

The Swedish population has a great appreciation for travel and have both the time and the money to spend on vacations. Swedes have at least 5 weeks of paid annual leave plus 8-10 national holidays. Swedes are excellent English speakers, experienced travelers, and have high demands on what they wish to experience during their vacations. They are tech savvy, connected, and mainly book their vacations on the internet. This is especially true when it comes to flights and hotels. According to a recent survey, 60 percent of Swedes went abroad on vacation in 2017. The same survey showed that the United States was the number one long-haul destination

visited by Swedish travelers, with 130 percent more travelers than the second most popular long-haul destination, Thailand. According to the latest full year statistics available, 559,000 Swedes travelled to the United States in 2016, making Sweden the 18th largest inbound travel market /originating from abroad.

	2014	2015	2016	2017 (Estimated)
Total Market Size	551,996	586,332	558,624	n.a.

Source: National Travel & Tourism Office

Leading Sub-Sectors

Swedes travel mainly for relaxation, preferably to sunny and warm destinations. Miami is very popular with Swedes not only for this reason but also for the fact that Caribbean cruises originate from here. Swedes also enjoy active vacations, including excursions, exercise, and other activities such as working out, hiking, surfing, biking, and yoga. Locations offering good food and wine are at the top of a Swedish traveler's wish list.

Per the latest market profile available of Sweden, Swedes primarily are active in the following categories: Shopping (89 percent), Sightseeing (79 percent), National Parks/Monuments (38 percent), Small Towns/Countryside (31 percent), Experience Fine Dining (30 percent), Historical Locations and Art Galleries/museums (both 28 percent), Amusement and Theme Parks, (25 percent) and Guided Tours (22 percent).

Opportunities

The continued low cost of airline travel in Sweden with direct routes to the United States offers many opportunities for destinations located near U.S. international airports/hubs:

United Airlines – operates a seasonal, direct flight from Stockholm Arlanda Airport to New York/Newark;

SAS – operates four direct flights from Stockholm Arlanda Airport to New York, Chicago, Los Angeles, and Miami; and

Norwegian – operates direct (some seasonal) flights from Stockholm Arlanda Airport to Ft Lauderdale, Los Angeles, New York Oakland/San Fransisco, and Orlando.

The Commercial Service in Stockholm actively supports the Discover America Sweden committee. The committee organizes 3-4 annual workshops held in Sweden, participates in other promotional events, and has social media accounts with Facebook and Instagram. Contact for registration and information: Goran von Arbin, Director of Events and Executive Secretary, go2usa@telia.com.

Web Resources

[Brand USA](#)

www.thebrandusa.com/

[Discover America Sweden](#)

www.discoveramerica.se/

[Discover America Nordic](#)

www.discoveramerica.nu/

[National Travel and Tourism Office](#)

www.travel.trade.gov/

[Visit the USA](#)

www.VisitTheUSA.com

Trade events

- [Nordic Discover America calender](#) of Discover America Workshops. Website: (<http://discoveramerica.nu/Site/calender.html>). Workshops in Sweden:
 - 1 Stockholm -annually in January
 - 2 Jönköping/Linköping - May
 - 3 Malmö - annually in September

4 Gothenburg – annually in October

- [Travel News Market](http://www.travelnews.se/events/travel-news-market/), B2B Trade Fair at Stockholm Waterfront Congress Centre annually in November. Website: <http://www.travelnews.se/events/travel-news-market/>

Local Commercial Specialist: nancy.bjorshammar@trade.gov

Customs, Regulations, & Standards

Trade Barriers

For information on existing trade barriers, please see the [National Trade Estimate Report on Foreign Trade Barriers](#) published by USTR.

Information on agricultural trade barriers can be found at the following website: [Foreign Agricultural Service](#)

To report existing or new trade barriers and get assistance in removing them, contact either the [Trade Compliance Center](#), or the [U.S. Mission to the European Union](#)

For information on existing trade barriers, please see the [National Trade Estimate Report on Foreign Trade Barriers](#) published by USTR.

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Import Tariff

Sweden applies the EU customs laws and coherent regulations, as well as common customs tariffs from the United States and other non-EU countries. When products enter the EU, they need to be declared to customs according to their classification in the Combined Nomenclature (CN). The CN document is updated and published every year, and the latest version can be found on the [European Commission's website](#).

The Integrated Tariff of the Community, referred to as TARIC (Tarif Intégré de la Communauté), is designed to show the various rules which apply to specific products being imported into the customs territory of the EU, or, in some cases, exported from it. The TARIC can be searched by country of origin, Harmonized System (HS) Code, and product description on the interactive website of the Directorate-General for Taxation and the Customs Union. The online TARIC is updated daily.

Key Link: [TARIC](#)

Most industrial products imported to Sweden are subject to customs duty varying from 0 percent to 15 percent. Duty rates for foodstuffs can be higher as they are based on the weight of the commodity. The value for customs purposes is directly based on the value of transaction: product price, transportation, and insurance.

Importers can apply for reduced Customs Duty or exemption if the goods originate from a country with which EU has a free trade agreement, or in the case of:

- Temporary importation (e.g. testing or exhibiting purposes);
- Inward processing when a product is imported in order to be processed further, repacked, and re-exported; and
- Scientific instrument imports,

Most goods imported to Sweden are also subject to a value-added-tax (VAT). The general VAT rate is 25 percent, with a lower rate of 12 percent for food and certain services and 6 percent for books and periodicals.

Import Requirements & Documentation

The TARIC, described above, is available to help determine if a license is required for a specific product. Moreover, the European Commission maintains an export helpdesk with information on import restrictions of various products.

Import Documentation

The Single Administrative Document

The official model for written declarations to customs is the Single Administrative Document (SAD). The SAD describes goods and their movement around the world and is essential for trade outside the EU or trade of non-EU goods. Goods brought into the EU customs territory are, from the time of their entry, subject to customs supervision until customs formalities are completed. Goods are covered by a Summary Declaration which is filed once the items have been presented to customs officials. The customs authorities may, however, allow a period for filing the Declaration which cannot be extended beyond the first working day following the day on which the goods are presented to customs.

The Summary Declaration is filed by:

- the person who brought the goods into the customs territory of the Community or by any person who assumes responsibility for carriage of the goods following such entry; or
- the person in whose name the person referred to above acted.

The Summary Declaration can be made on a form provided by the customs authorities. However, customs authorities may also allow the use of any commercial or official document that contains the specific information required to identify the goods. The SAD serves as the EU importer's declaration. It encompasses both customs duties and VAT and is valid in all EU Member States. The declaration is made by whoever is clearing the goods, normally the importer of record or his/her agent.

European Free Trade Association (EFTA) countries including Norway, Iceland, Switzerland, and Liechtenstein also use the SAD. Information on import/export forms is contained in Council Regulation (EEC) No. 2454/93, which lays down provisions for the implementation of the Community Customs Code (Articles 205 through 221). Articles 222 through 224 provide for computerized customs declarations and Articles 225 through 229 provide for oral declarations. More information on the SAD can be found at [Single Administration Document](#).

Economic Operator Registration and Identification (EORI)

Since July 1, 2009, all companies established outside of the EU are required to have an EORI number if they wish to lodge a customs declaration or an Entry/Exit Summary declaration. All U.S. companies should use this number for their customs clearances. An EORI number must be formally requested from the customs authority member state to which the company first exports. Member State customs authorities may request additional documents to be submitted alongside a formal request for an EORI number. Once a company has received an EORI number, it can use it for exports to any of the 28 EU Member States. There is no single format for the EORI number. Once an operator holds an EORI number s/he can request the Authorized Economic Operator (AEO: see below under "MRA") status, which can give quicker access to certain simplified customs procedures.

More information about the EORI number can be found at [Economic Operator Registration and Identification](#)

Since 1997, the U.S. and the EU have had a Customs Cooperation and Mutual Assistance in Customs Matters Agreement (CMAA). For additional information, please see [Agreements with the United States](#)

In 2012, the United States and the EU signed a Decision recognizing the compatibility of Authorized Economic Operator (AEO) and Customs-Trade Partnership Against Terrorism (C-TPAT, thereby facilitating faster and

more secure trade between U.S. and EU operators. The World Customs Organization (WCO) SAFE Framework of Standards provides the global standard for AEO. AEO certification is issued by a national customs authority and is recognized by all Member States' customs agencies. As of April 17, 2017, an AEO can consist of two different types of authorization: "customs simplification" or "security and safety." The former allows for an AEO to benefit from simplification related to customs legislation, while the latter allows for facilitation through security and safety procedures. Shipping to a trader with AEO status could facilitate an exporter's trade as its benefits include expedited processing of shipments, reduced theft/losses, reduced data requirements, lower inspection costs, and enhanced loyalty and recognition. Under the revised Union Customs Code, for an operator to make use of certain customs simplifications, the authorization of AEO becomes mandatory.

The United States and the EU recognize each other's security certified operators and will take the respective membership status of certified trusted traders favorably into account to the extent possible. The favorable treatment provided by the Decision will result in lower costs, simplified procedures, and greater predictability for transatlantic business activities. It officially recognizes the compatibility of AEO and C-TPAT programs, thereby facilitating faster and more secure trade between U.S. and EU operators. The Decision was originally signed in May 2012 and was implemented in two phases. The first commenced in July 2012 with U.S. Customs and Border Protection (CBP) placing shipments coming from EU AEO members into a lower risk category. The second phase took place in early 2013, with the EU re-classifying shipments coming from C-TPAT members into a lower risk category. CBP identification numbers for foreign manufacturers (MID) are therefore recognized by customs authorities in the EU, as per Implementing Regulation 58/2013 (which amends EU Regulation 2454/93 cited above).

Introduction

A key EU priority is ensuring products marketed in the region are safe for the environment and human health. U.S. manufacturers exporting to the EU need to ensure their products meet these requirements to enter the market.

New Initiatives: Circular Economy & Plastics Strategy

On September 25, 2014, the European Commission published the Communication "Towards a circular economy: A zero waste program for Europe." The Communication acknowledges the intense competition for resources within Europe and the need to ensure market mechanisms eliminate waste. When implementing this package, the European Commission will promote regulatory and voluntary measures that encourage the "design out" of waste during the product development cycle. These measures include introducing mandatory recycling targets for waste, improvements to energy and resource use (e.g. water), and eliminating the use of materials in products that inhibit the collection, recycling, and reuse of materials in products.

On January 16, 2018, the European Commission published what is arguably the most important measure towards implementing the circular economy. On that day, it adopted a strategy document entitled, "A European Strategy for Plastics in a Circular Economy." The strategy acknowledges that plastics have a positive and negative impact on the environment, while calling for voluntary and regulatory measures aimed at mitigating the environmental harm caused by plastics. These measures address marine litter caused by the shipping industry; measures addressing the chemical composition of plastics to encourage recycling; potential regulation on single use plastics; and funding for the development of chemical and mechanical recycling.

Batteries

The [EU Battery Directive](#) adopted in 2006 applies to all batteries and accumulators placed on the EU market. This includes automotive, industrial, and portable batteries. The Directive seeks to protect the environment by restricting the sale of batteries and accumulators that contain mercury or cadmium (with an exemption for emergency and alarm systems, medical equipment, and cordless power tools) and by promoting a high level of

collection and recycling. It places the responsibility on producers to finance the costs associated with the collection, treatment, and recycling of used batteries and accumulators. The Directive also includes provisions on the labeling of batteries and their removability from equipment. The European Commission publishes a FAQ document to assist interested parties in interpreting its provisions. For more information, see our [market research report](#).

Registration, Evaluation, and Authorization and Restriction of Chemicals (REACH)

REACH applies to all chemicals manufactured or imported into the EU in quantities exceeding one metric ton. The regulation entered into force in 2007 (Regulation 1907/2006) and touches virtually every industrial sector, from automobiles to textiles. REACH imposes a registration obligation on all entities affected by the one metric ton criteria by May 31, 2018. The European Chemicals Agency (ECHA) is the agency responsible for receiving and ensuring the completeness of such registrations. U.S. companies without a presence in Europe need to rely on an EU-based partner, typically either an importer or a specialized “Only Representative.”

In addition to the registration requirement, U.S. exporters should carefully review the REACH “Candidate List” of Substances of Very High Concern (SVHCs) and the “Authorization List.” Under certain conditions, substances on the Candidate List are subject to communication requirements prior to their export to the EU. Companies seeking to export chemicals on the “Authorization List” will require an authorization. [Candidate List](#).

[The Authorization List](#)

[Waste Electrical and Electronic Equipment \(WEEE\) Directive](#)

EU rules on WEEE, while not requiring specific customs or import paperwork, may entail a financial obligation for U.S. exporters. The Directive requires U.S. exporters to register relevant products with a national WEEE authority or arrange for this to be done by a local partner. It also requires manufacturers to inform the consumer that their product should be recycled by including the “crossed out wheellie-bin” symbol on the product or with the packaging. (See the section entitled “Mandatory Marks and Labels” for more information.) The WEEE Directive was revised on July 4, 2012, and the scope of products covered was expanded to include all electrical and electronic equipment. U.S. exporters seeking more information on the WEEE Directive should visit:

[Restriction on Hazardous Substances RoHS](#)

The ROHS Directive imposes restrictions on the use of certain chemicals in electrical and electronic equipment. It does not require specific customs or import paperwork however, manufacturers must self-certify that their products are compliant and affix a “CE” mark. (See the section entitled “Mandatory Marks and Labels” for more information.) The 2011 revisions to the ROHS Directive significantly expanded the scope of covered products. Generally, U.S. exporters have until July 22, 2019, to bring products into compliance that were once outside the scope. U.S. exporters seeking more information on the RoHS Directive should visit:

[Cosmetics Regulations](#)

The EU legislation harmonizing the regulation of cosmetic products has applied since July 11, 2013. The most controversial element of the regulation was the introduction of an EU-wide system for the notification of cosmetic products to the European Commission prior to their placement on the EU market. Only an EU-established entity may submit such a notification. Therefore U.S. exporters must either retain a “Responsible Person” to act on their behalf, rely on the entity responsible for the import of their product into the EU, or establish a presence in an EU Member State.

Agricultural Documentation

Phytosanitary Certificates: Phytosanitary certificates are required for most fresh fruits, vegetables, and other plant materials.

Sanitary Certificates: For commodities composed of animal products or by-products, EU countries require that shipments be accompanied by a certificate issued by the competent authority of the exporting country. This applies regardless of whether the product is for human consumption, for pharmaceutical use, or strictly for non-human use (e.g., veterinary biologicals, animal feeds, fertilizers, research). Most of these certificates are uniform throughout the EU, but the harmonization process is still ongoing. Most recently, certificates for a series of highly processed products including chondroitin sulphate, hyaluronic acid, hydrolyzed cartilage products, chitosan, glucosamine, rennet, isinglass, and amino acids are being harmonized. Until harmonization is finalized, certain Member State import requirements continue to apply. In addition to the legally required EU health certificates, several other certificates are used in international trade. These certificates, which may also be harmonized in EU legislation, certify origin for customs purposes and certain quality attributes. Up-to-date information on [Harmonized Import Requirements](#).

Sanitary Certificates (Fisheries)

In April 2006, the EU declared the U.S. seafood inspection system to be equivalent to the European one. Consequently, a specific public health certificate must accompany U.S. seafood shipments. The U.S. fishery product sanitary certificate is a combination of Commission Decision 2006/199/EC for the public health attestation and of Regulation 1012/2012 for the general template and animal health attestation. Unlike for fishery products, the U.S. shellfish sanitation system is not equivalent to that of the EU's. The EU and the United States are currently negotiating a veterinary equivalency agreement on shellfish. In the meantime, the EU still has a ban in place (since July 1, 2010), that prohibits the import of U.S. bivalve mollusks, in whatever form, into EU territory. This ban does not apply to wild roe-off scallops.

Since June 2009, the only U.S. competent authority for issuing sanitary certificates for fishery and aquaculture products is the U.S. Department of Commerce, National Marine Fisheries Service (NOAA-NMFS).

In addition to sanitary certificates, all third countries wishing to export fishery products to the EU are requested to provide a catch certificate. This catch certificate certifies that the products in question have been caught legally.

For detailed information on import documentation for seafood, please contact the NOAA Fisheries office at the U.S. Mission to the EU (stephane.vrignaud@trade.gov) or visit the following [NOAA dedicated website](#)

Labeling/Marking Requirements

Sweden does not require country of origin marking for imports. However, goods carrying incorrect designations of origin are prohibited, and products made to appear as produced or manufactured in Sweden may not be imported unless the correct foreign origin is clearly and durably marked thereon.

Special marking regulations and labeling requirements exist for pharmaceuticals, chemicals, food products, and other product categories. Sweden has very strict health, sanitary, and labeling rules and sophisticated capabilities for monitoring product quality.

A retail-size food package must show the name of the manufacturer, packer or importer, commercial name of the product, net metric weights or volume, ingredients in descending order of weight, last recommended date of consumption, and storage instructions if perishable or intended for infants. The information described above should be in Swedish and the local importers can assist NTM companies in arranging for proper labeling information.

Inspection and food labeling requirements were changed to conform to EU regulations when Sweden became a member of the EU on January 1, 1995. The first step in investigating the marking, labeling, and packaging

legislation that might apply to a product entering the EU is to draw a distinction between what is mandatory and what is voluntary. Decisions related to mandatory marking, labeling and/or packaging requirements may sometimes be left to individual Member States. Furthermore, voluntary marks and/or labels are used as marketing tools in some EU Member States. This report is focused primarily on the mandatory marks and labels seen most often on consumer products and packaging, which are typically related to public safety, health, and/or environmental concerns. It also includes a brief overview of a few mandatory packaging requirements, as well as more common voluntary marks and/or labels used in EU markets.

It is also important to distinguish between marks and labels. A mark is a symbol and/or pictogram that appears on a product, or its respective packaging. These range in scope from signs of danger to indications of methods of proper recycling and disposal. The intention of such marks is to provide market surveillance authorities, importers, distributors, and end-users with information concerning safety, health, energy efficiency, and/or environmental issues relating to a product. Labels, on the other hand, appear in the form of written text or numerical statements, which may be required but are not necessarily universally recognizable. Labels typically indicate more specific information about a product, such as measurements, or an indication of materials that may be found in the product (such as in textiles or batteries).

For more information on marks, labels and legislation:

[CE Marketing](#)

[CE Marking Laws Applicable](#)

[Harmonized Standards](#)

[New Legislative Framework](#)

U.S. Export Controls

The U.S. Department of Commerce's Bureau of Industry and Security (BIS) is responsible for implementing and enforcing the Export Administration Regulations (EAR), which regulate the export and re-export of some commercial items, including "production" and "development" technology.

The items that BIS regulates are often referred to as "dual use" since they have both commercial and military applications. Further information on export controls is available at: [BIS Exporting Controls](#)

[BIS Enforcement](#)

BIS has developed a list of "red flags," or warning signs, intended to discover possible violations of the EAR. The list can be found in the "[Know Your Customer](#)" guidance document.

If there is reason to believe a violation is taking place or has occurred, report it to the Department of Commerce by calling the 24-hour hotline at +1(800) 424-2980, or via the confidential lead page at: [BIS Reporting Violations](#)

The EAR does not control all goods, services, and technologies. Other U.S. government agencies regulate more specialized exports. For example, the U.S. Department of State has authority over defense articles and services. A list of other agencies involved in export control can be found on the [BIS website](#).

It is important to note that in August 2009 a broad-based interagency review of the U.S. export control system was initiated, with the goal of strengthening national security and the competitiveness of key U.S. manufacturing and technology sectors by focusing on current threats, as well as adapting to the changing economic and technological landscape. As a result, the Administration launched the Export Control Reform Initiative (ECR Initiative) which is designed to enhance U.S. national security and strengthen the United States' ability to counter threats such as the proliferation of weapons of mass destruction.

The reform is being implemented in three phases. Phases I and II reconcile various definitions, regulations, and policies for export controls, all the while building toward Phase III, which will create a single control list, single licensing agency, unified information technology system, and enforcement coordination center.

For additional information on [ECR](#)

BIS provides a variety of training sessions to U.S. exporters throughout the year. These sessions range from one to two-day seminars and focus on the basics of exporting as well as more advanced topics. [A list of upcoming seminars.](#)

For further details about the Bureau of Industry and Security and its programs, please visit the [BIS website.](#)

Temporary Entry

Goods can be completely exempt from customs duty and/or VAT when they are imported into EU temporarily, to be re-exported unmodified. Goods that fall into this category include materials for trade shows and exhibitions, some professional equipment, special tools used for assembling goods to be exported, replacement machinery or equipment during warranty repairs, samples, works of art to be exhibited, some medical, surgical and laboratory and scientific equipment used in hospitals, other medical institutions, and for teaching and research purposes. The importer should always check with the local customs office to verify that the goods meet the criteria for complete or partial exemption of import costs.

Sweden honors the ATA carnet, an international customs document designed to simplify customs procedures for business and professional people taking commercial samples, advertising materials, film, medical, or professional equipment into specified countries for a short period. More than 40 countries participate in the carnet system. Specific information on the ATA Carnet customs procedure can be found at: [ATA Carnet.](#)

Prohibited & Restricted Imports

The Tarif Intégré de la Communauté (TARIC) is designed to show various rules applying to specific products being imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a product is prohibited or subject to restriction, check the TARIC for the following codes:

CITES Convention on International Trade of Endangered Species

PROHI Import Suspension

RSTR Import Restriction

For information on how to access the TARIC, see the Import Requirements and Documentation Section.

Key Link: [Taxation Customs and Tariffs.](#)

Customs Regulations

The Swedish Customs website lists and updates both the Swedish and the EU regulations and laws pertaining to import and applicable directives from other government agencies. On the EU level, the information is available at Customs and Taxation Union Directorate (TAXUD) Website.

There are several changes in the revised customs policy which also require an integrated IT system from the customs authorities. In April 2016 The European Commission published an implementing decision (number: 2016/578) on the work program relating to the development and deployment of the electronic systems of the UCC. The EC continues to evaluate the timeline by which the EU-wide integration of the customs IT system can be implemented. The current deadline of December 2020 may be extended.

Key Links: [Customs and Taxation Union Directorate \(TAXUD\) Website](#), [Swedish Customs](#)

Customs Valuation – Most customs duties and VAT are expressed as a percentage of the value of goods being declared for importation. Thus, it is necessary to dispose of a standard set of rules for establishing the goods' value, which will then serve for calculating the customs duty.

Given the magnitude of EU imports every year, it is important that the value of such commerce is accurately measured for the purposes of:

- economic and commercial policy analysis;
- application of commercial policy measures;
- proper collection of import duties and taxes; and
- import and export statistics.

These objectives are met using a single instrument - the rules on customs value.

The EU applies an internationally accepted concept of 'customs value.'

The value of imported goods is one of three 'elements of taxation' that provides the basis for assessment of the customs debt, which is the technical term for the duty to be paid, the other ones being the origin of the goods and the customs tariff.

Key Link: [Customs Procedures](#)

The Swedish contact information:

[Swedish Board of Customs](#)

Box 12854

112 98 Stockholm

Sweden

Mr. Göran Ekström, Acting Director General

Email: tullverket@tullverket.se

Standards for Trade

Overview

Products tested and certified in the United States to American standards are likely to have to be retested and re-certified to EU requirements due to the EU's different approach to the protection of the health and safety of consumers and the environment. Where products are not regulated by specific EU technical legislation, they are always subject to the EU's General Product Safety Directive as well as to possible additional national requirements.

European Union legislation and standards created under the New Approach are harmonized across the Member States and European Economic Area countries to allow for the free flow of goods. An example of the New Approach is CE marking.

The concept of New Approach legislation is slowly disappearing as the New Legislative Framework (NLF), which entered into force in January 2010, was put in place to serve as a blueprint for existing and future CE marking legislation. Existing legislation has been reviewed to bring them in line with the NLF concepts, which means that, as of 2016, *new requirements are being addressed and new reference numbers are to be used on declarations of conformity*. More information about the [NLF](#).

While harmonization of EU legislation can facilitate access to the EU Single Market, manufacturers should be aware that regulations (mandatory) and technical standards (voluntary) might also function as barriers to trade if U.S. standards are different from those of the European Union.

Standards

EU standards setting is a process based on consensus initiated by industry or mandated by the European Commission and carried out by independent standards bodies, acting at the national, European, or international level. There is strong encouragement for non-governmental organizations, such as environmental and consumer groups, to actively participate in European standardization.

Many standards in the EU are adopted from international standards bodies such as the International Standards Organization (ISO). The drafting of specific EU standards is handled by three European standards organizations:

1. [CEN, European Committee for Standardization](#)
2. [CENELEC, European Committee for Electrotechnical Standardization](#)
3. [ETSI, European Telecommunications Standards Institute](#)

Standards are created or modified by experts in Technical Committees or Working Groups. The members of CEN and CENELEC are the national standards bodies of the Member States, which have "mirror committees" that monitor and delegate experts to participate in ongoing European standardization. CEN and CENELEC standards are sold by the individual Member States standards bodies. ETSI is different in that it allows direct participation in its technical committees from non-EU companies that have interests in Europe and provides some of its individual standards at no charge on its website. In addition to the three standards developing organizations, the European Commission plays an important role in standardization through its funding of the participation in the standardization process of small- and medium-sized companies and non-governmental organizations, such as environmental, labor and consumer groups. The Commission also provides money to the European standards bodies when it mandates standards development for harmonized standards that will be linked to EU legislation. [Mandates](#)- or requests (the Commission requests CEN/CENELEC or ESTI to develop standards) for standards.

Given the EU's vigorous promotion of its regulatory and standards system as well as its generous funding for its development, the EU's standards regime is wide and deep - extending well beyond the EU's political borders to include affiliate members (countries which are hopeful of becoming full members in the future) such as the Western Balkan countries among others. Another category, called "companion standardization body" includes the standards organization of Morocco, Israel, Kazakhstan, and Australia, among others which are not likely to become a CEN member or affiliate for political and geographical reasons.

To view what CEN and CENELEC have in the pipeline for future standardization, it is best to visit their websites. Other than their respective annual work plans, CEN's "what we do" page provides an overview of standards activities by subject. Both CEN and CENELEC offer the possibility to search their respective database. [ETSI's portal](#) links to ongoing activities.

The European Standardization system and strategy was reviewed in 2011 and 2012. The new standards regulation 1025, adopted in November 2012, clarifies the relationship between regulations and standards and confirms the role of the three European standards bodies in developing harmonized standards (EN). The emphasis is also on referencing international standards where possible. For information, communication, and technology (ICT) products, the importance of interoperability standards has been recognized. Through a relatively recent mechanism, a "Platform Committee" reporting to the European Commission will decide which deliverables from fora and consortia might be acceptable for public procurement specifications. The European

standards bodies have been encouraged to improve efficiency in terms of delivery and to look for ways to include more societal stakeholders in European standardization. The Joint Initiative on Standardization, launched in 2016 with several action items to improve European standardization, involves a large group of stakeholders who are committed to deliver results by 2019.

Key Link: [Standardization Policy](#)

[Swedish Standards Institution, SIS](#)

118 80 Stockholm
Sweden
Tel: +46-8-555 520 00

SIS develops or revises over 1,300 Swedish and international standards annually within most business areas, by working closely with the private sector, Swedish authorities, consumer representatives and other stakeholders. SIS is the Swedish member of the Council and Technical Board of ISO and serves on both the administrative and technical boards of the European Committee for Standardization.

[Informationstekniska Standardiseringen, ITS](#)

The Swedish Telecommunication Standardization Organization
Box 1284
164 29 Kista, Sweden
Tel. +46 70 300 9542

Since March 2002, ITS has been recognizing European standards (EN) directly instead of transposing them to Swedish SS standards. All new proposals of standards and changes/adoption of technical regulations should be determined and adjusted in respect to existing international and European standards. ITS acts as the national standardization body for Sweden at ETSI, European Telecommunication Standards Institute.

[SEK Svensk Elstandard](#)

The Swedish Electro-Technical Standards
Box 1284
164 29 Kista, Sweden
Tel. +46 8 444 1400

SEK coordinates the electro-technical standardization through technical committees that directly reflect the work done on the international level at both IEC and CENELEC. The standardization and revision process is open to all Swedish organizations, companies, institutions, and the public sector.

Testing, inspection, and certification

To sell products in the EU markets as well as in Norway, Liechtenstein, and Iceland, U.S. exporters are required to apply CE marking whenever their product is covered by specific product legislation. CE marking product legislation offers manufacturers several choices and requires decisions to determine which safety/health concerns need to be addressed, which conformity assessment module is best suited to the manufacturing process, and whether to use EU-wide harmonized standards.

Products manufactured to standards adopted by CEN, CENELEC, or ETSI, and referenced in the Official Journal as harmonized standards, are presumed to conform to the requirements of EU Directives. The manufacturer then applies the CE marking and issues a declaration of conformity. With these, the product will be allowed to circulate freely within the EU. A manufacturer can choose not to use the harmonized EU standards, but then must demonstrate that the product meets the essential safety and performance requirements.

The CE marking addresses itself primarily to the national control authorities of the member states, and its use simplifies the task of essential market surveillance of regulated products. It is not intended to include detailed

technical information on the product, but sufficient information to enable the inspector to trace the product back to the manufacturer or the local contact established in the EU.

Swedish Bodies

[RICE – Research Institutes of Sweden](#)

Certification
Box 857
501 15 Borås, Sweden
Tel. +46 10 516 5000

[Intertek Semco Certification AB](#)

Box 1103
164 22 Kista, Sweden
Tel. +46 8 750 0333

[SWEDAC. Styrelsen for Ackreditering och Teknisk Kontroll](#)

Swedish Board for Accreditation and Conformity Assessment
Box 878,
501 15 Borås, Sweden
Tel: +46-771 990 900

Publication of technical regulations

When it comes to technical regulations Sweden abides by the EU directives and WTO agreements and accordingly reports all proposals to both EU and WTO. The entity responsible for information and notification procedures for new national technical regulations is the National Board of Trade.

All the Swedish proposals and final regulations are listed on the EU data base [TRIS](#), Technical Regulations Information System.

[The National Board of Trade](#)

Box 6803
113 86 Stockholm, Sweden
Tel. +46 8 690 4800

Email: Oscar.waglund.soderstrom@kommers.se

[Official Journal of the EU](#) is the official publication of the European Union. It is published daily on the internet and consists of two series covering adopted legislation as well as case law, studies by committees. It also lists the standards reference numbers linked to legislation ([Harmonized Standards](#)).

National technical regulations are published on the [Commission's website](#) to allow other countries and interested parties to comment.

“Members of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to notify to the WTO proposed technical regulations and conformity assessment procedures that could affect trade. Notify U.S. (www.nist.gov/notifyus) is a free, web-based e-mail registration service that captures and makes available for review and comment key information on draft regulations and conformity assessment procedures. Users receive customized e-mail alerts when new notifications are added by selected country(ies) and industry sector(s) of interest and can also request full texts of regulations. This service and its associated web site are managed and operated by the USA WTO TBT Inquiry Point housed within the National Institute of Standards and Technology, part of the U.S. Department of Commerce.”

Contact Information

US Embassy Stockholm
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Post Standards Contact: Tuula Ahlström, tuula.ahlstrom@trade.gov

[Swedish Standardization Federation](#)

Box 5510
114 85 Stockholm, Sweden
Tel. +46 8 782 0850

[Swedish Standards Institution, SIS](#)

118 80 Stockholm.
Sweden
Tel: +46-8-555 520 00

[Informationstekniska Standardiseringen, ITS](#)

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Box 1284
16429 Kista, Sweden
Tel. +46 8 444 1424

[SEK Svensk Elstandard](#)

The Swedish Electro-Technical Standard
Box 1284
16429 Kista, Sweden
Tel. +46 8 444 1400

[SWEDAC, Styrelsen for Ackreditering och Teknisk Kontroll](#)

Swedish Board for Accreditation and Conformity Assessment
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501 15 Borås, Sweden
Tel: +46-33-177 700

[Rise](#)

Box 857
501 15 Borås, Sweden
Tel. +46 10 516 5000

[Intertek Semco Certification AB](#)

Box 1103
164 22 Kista, Sweden
Tel. +46 8 750 0333

[The National Board of Trade](#)

Box 6803
113 86 Stockholm, Sweden
Tel. +46 8 690 4800

[Livsmedelsverket \(National Food Administration\)](#)

Box 622

751 26 Uppsala, Sweden
Tel: +46 18 17 55 00

[Läkemedelsverket \(Medical Products Agency\)](#)

Box 26
751 03 Uppsala, Sweden
Tel: +46 18 17 46 00

[Kemi \(Swedish Chemicals Agency\)](#)

Box 2
172 13 Sundbyberg, Sweden
Tel: +46 8 519 41 100

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[National Institute of Standard & Technology](#)

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Mail Stop 2100
Gaithersburg, Maryland 20899
Tel: (301) 975-4000

[CEN- European Committee for Standardization](#)

Avenue Marnix 17
B - 1000 Brussels, Belgium
Tel: +32.2.550.08.11
Fax: +32.2.550.08.19

[CENELES- European Committee for Electrotechnical Standardization](#)

Avenue Marnix 17
B - 1000 Brussels, Belgium
Tel: +32.2.519.68.71
Fax: +32.2.519.69.15

[ETSI- European Telecommunications Standards Institute](#)

Route des Lucioles 650
Sophia Antipolis
F-06560 Valbonne, France
Tel: +33.4.92.94.42.00
Fax: +33.4.93.65.47.16

[SBS- Small Business Standards](#)

4, Rue Jacques de Lalaing
B-1040 Brussels, Belgium
Tel: +32.2.285.07.27
Fax : +32-2/230.78.61

[ANEC- European Association for the Co-ordination of Consumer Representation in Standardization](#)

Avenue de Tervuren 32, Box 27
B – 1040 Brussels, Belgium
Tel: +32.2.743.24.70
Fax: +32.2.706.54.30

[ECOS- European Environmental Citizens Organization for Standardization](#)

Rue d'Edimbourg 26
B – 1050 Brussels, Belgium
Tel: +32.2.894.46.68
Fax: +32.2.894.46.10

[EOTA- European Organization for Technical Assessment](#)

Avenue des Arts 40
B – 1040 Brussels, Belgium
Tel: +32.2.502.69.00
Fax: +32.2.502.38.14

Trade Agreements

Sweden is a member of the EU and does not conclude any free trade agreements on its own. However, Sweden takes an active part in the preparations and in the work during the ongoing negotiations lead by the EU. For a list of trade agreements with the EU and its Member States, as well as concise explanations, please see

[EU Trade Agreements](#)

Licensing Requirements for Professional Services

The recognition of skills and qualifications acquired by EU citizens in EU Member States, including the corresponding recognition procedures and charges are, in correspondence with article 165 of the TFEU, the responsibility of Member States. Similarly, recognition of skills and qualification earned in third countries is also a national responsibility.

However, the European Commission takes initiative to facilitate recognition procedures. For example:

- Recognition of professional qualifications obtained in one Member State for the purposes of access and pursuit of regulated professions in another Member State is subject to Directive 2005/36.
- Recognition of qualifications for academic purposes in the higher education sector, including school-leaving certificates is subject to the Lisbon Recognition Convention. The ENIC-NARIC network provides advice on (cross-border) recognition of these qualifications.

Recognition in other cases is assessed and granted (or denied) by the receiving educational provider or employer. For them to be able to recognise skills and qualifications an understanding of the level, content, and quality is needed. The Commission currently explores the possibilities on how to better support these recognition decisions.

The “Your Europe” website maintains a webpage dedicated to help citizens identify what the regulated professions are and what documents are needed for their recognition in each Member State. Please see: [Recognition of Professional Qualification](#).

Web Resources

Swedish Websites

[National Board of Trade Sweden \(https://www.kommers.se/\)](https://www.kommers.se/)

[National Food Agency Sweden \(https://www.livsmedelsverket.se/en\)](https://www.livsmedelsverket.se/en)

[National Inspectorate of Strategic Products ISP \(www.isp.se/eng\)](http://www.isp.se/eng)

[RISE Research Institutes of Sweden \(www.ri.se\)](http://www.ri.se)

[Swedish Board of Accreditation and Conformity Assessment \(https://www.swedac.se/?lang=en\)](https://www.swedac.se/?lang=en)

[Swedish Board of Agriculture \(http://www.jordbruksverket.se/\)](http://www.jordbruksverket.se/)

[Swedish Chemicals Agency \(https://www.kemi.se/en\)](https://www.kemi.se/en)

[Swedish Customs \(www.tullverket.se\)](http://www.tullverket.se)

[Swedish Electro-Technical Standards \(http://www.elstandard.se/\)](http://www.elstandard.se/)

[Swedish Medical Products Agency \(https://lakemedelsverket.se/english/\)](https://lakemedelsverket.se/english/)

[Swedish Standards Institution SIS \(www.sis.se\)](http://www.sis.se)

[Swedish Telecommunication Standardization Organization \(www.its.se\)](http://www.its.se)

EU websites:

[AEO: Authorized Economic Operator](#)

[Contact Information at National Customs Authorities](#)

[CEN, European Committee for Standardization](#)

[CEN- Sector](#)

[CEN- Standard SearchGenelec, European Committee for Electrotechnical Standardization](#)

[ECHA](#)

[Establishing the Community Customs Code](#)

[Electronic Customs Initiative](#)

[ETSI, European Telecommunications Standards Institute](#)

[ETSI- Portal- E-Standardisation](#)

[Eur-Lex- Access to European Union Law](#)

[European Co-Operation for Accreditation](#)

[European Union Eco-Label Homepage](#)

[Legislation related to the Electronic Customs Initiative](#)

[Modernized Community Customs Code Regulation](#)

[NANDO \(New Approach Notified and Designated Organizations\) Information System](#)

[National Technical Regulations](#)

[New Legislative Framework](#)

[NIST- Notify U.S.](#)

[Pre-Arrival/Pre-Departure Declarations](#)

[Security and Safety Amendment to the Customs Code](#)

[Standardisation- Mandates](#)

[Standards Reference Numbers](#)

[TARIC](#)

[Taxation and Customs Union](#)

[Trade Helpdesk](#)

[What is Customs Valuation?](#)

[What's New?](#)

[U.S. Websites:](#)

[Agricultural Trade Barriers](#)

[CE Marking](#)

[Center for Food Safety and Applied Nutrition](#)

[National Trade Estimate Report on Foreign Trade Barriers](#)

[Overview of EU Certificates \(FAS\)](#)

[Trade Agreements](#)

[Trade Compliance Center](#)

[New EU Battery Directive](#)

[The Latest on REACH](#)

[U.S. Mission to the European Union](#)

[WEEE and RoHS in the EU](#)

Investment Climate Statement

Executive Summary

Sweden is generally considered a highly-favorable investment destination. Sweden offers an extremely competitive, open economy with access to new products, technologies, skills, and innovations. Sweden also has a well-educated labor force, outstanding communication infrastructure, and a stable political environment, which makes it a choice destination for U.S. and foreign companies. Low levels of corporate tax, the absence of withholding tax on dividends, and a favorable holding company regime are additional incentives for doing business in Sweden.

Forbes Magazine ranked Sweden fourth in “The Best Countries for Business For 2018,” a ranking that considers factors such as property rights, innovation, taxes, technology, corruption, freedom, red tape, and investor protection. In the World Economic Forum’s 2016-2017 Competitiveness Report, Sweden moved up four

places and was ranked sixth out of 138 countries in overall competitiveness and productivity and has been in the top ten for the past decade. Also, in 2017 Transparency International ranked Sweden as one of the most corruption-free countries in the world – sixth out of 180.

Sweden is well equipped to embrace the Fourth Industrial Revolution, with a superior IT infrastructure. Bloomberg’s 2018 Innovation Index ranked Sweden, along with South Korea, as the most innovative nation on earth. Sweden is seen as a frontrunner in adopting new technologies and setting new consumer trends. U.S. and other exporters can take advantage of a test market full of demanding, highly-sophisticated customers.

Sweden’s attractiveness as an investment destination is tempered by a few structural, business challenges. These include high personal and VAT tax regimes. In addition, the high cost of labor, rigid labor legislation and regulations, a persistent housing shortage, and the general high cost of living in Sweden can present challenges to attracting, hiring, and maintaining talent for new firms entering Sweden. Historically, the telecommunications, information technology, healthcare, energy, and public transport sectors have attracted the most foreign investment. However, manufacturing, wholesale, and retail trade have also recently attracted increased foreign funds.

Table 1

Measure	Year	Index/Rank	Website Address
TI Corruption Perceptions Index	2017	6 of 175	http://www.transparency.org/research/cpi/overview
World Bank’s Doing Business Report “Ease of Doing Business”	2017	10 of 190	http://www.doingbusiness.org/rankings
Global Innovation Index	2017	2 of 128	https://www.globalinnovationindex.org/analysis-indicator
U.S. FDI in Partner Country (\$M USD, stock positions)	2015	USD 46,933	http://www.bea.gov/international/factsheet/
World Bank GNI per capita	2015	USD 54,480	http://data.worldbank.org/indicator/NY.GNP.PCAP.CD

Openness To, and Restrictions Upon, Foreign Investment

Policies Towards Foreign Direct Investment

There are no laws or practices that discriminate or are alleged to discriminate against foreign investors, including and especially U.S. investors, by prohibiting, limiting or conditioning foreign investment in a sector of the economy (either at the pre-establishment (market access) or post-establishment phase of investment). Until the mid-1980s, Sweden's approach to direct investment from abroad was quite restrictive and governed by a complex system of laws and regulations. Sweden's entry into the European Union (EU) in 1995 largely eliminated all restrictions. Restrictions to investment remain in the defense and other sensitive sectors, as addressed in the next section "Limits on Foreign Control and Right to Private Ownership and Establishment."

The Swedish Government recognizes the need to further improve the business climate for entrepreneurs, education, and the flow of research from lab to market. Swedish authorities have implemented several reforms to improve the business regulatory environment and to attract more foreign investment.

Limits on Foreign Control and Right to Private Ownership and Establishment

There are very few restrictions on where and how foreign enterprises can invest, and there are no equity caps, mandatory joint-venture requirements, or other measures designed to limit foreign ownership or market access. However, Sweden does maintain some limitations in a select number of situations:

- Accountancy: Investment in the accountancy sector by non-EU-residents cannot exceed 25 percent;
- Legal services: Investment in a corporation or partnership carrying out the activities of an "advokat." a lawyer, cannot be done by non-EU residents;
- Air transport: Foreign enterprises may be restricted from access to international air routes unless bilateral intergovernmental agreements provide otherwise;
- Air transport: Cabotage is reserved to national airlines;
- Maritime transport: Cabotage is reserved to vessels flying the national flag; and
- Defense: Restrictions apply to foreign ownership of companies involved in the defense industry and other sensitive areas.

Swedish company law provides various ways a business can be organized. The main difference between these forms is whether the founder must own capital and to what extent the founder is personally liable for the company's debt. The Swedish Act (1992:160) on Foreign Branches applies to foreign companies operating through a branch and to people residing abroad who run a business in Sweden. A branch must have a president who resides within the European Economic Area (EEA). All business enterprises in Sweden (including branches) are required to register at the Swedish Companies Registration Office, [Bolagsverket](#). An invention or trademark must be registered in Sweden to obtain legal protection. A bank from a non-EEA country needs special permission from the Financial Supervision Authority, [Finansinspektionen](#) to establish a branch in Sweden.

Sweden does not maintain an investment screening and approval mechanism for inbound foreign investment. However, the government is considering both the EU Commission's 2017 proposal on investment screening, as well as tightening national investment policies. Suggested regulations would not likely be in place until 2020 at the earliest. U.S. investors are treated equally relative to other foreign investors in terms of ownership and scrutiny of investments.

Other Investment Policy Reviews

Sweden has in the past three years not undergone an investment policy review by the World Trade Organization (WTO), or the United Nations Committee on Trade and Development (UNCTAD), or the Organization for Economic Cooperation and Development (OECD).

Business Facilitation

Business Sweden's Swedish Trade and Invest Council is the investment promotion agency tasked with facilitating business. The services of the agency are available to all investors.

All forms of business enterprise, except for sole traders, must be registered with the Swedish Companies Registration Office, Bolagsverket, before starting operations. Sole traders may apply for registration to be given exclusive rights to the name in the county where they will be operating. Online application to register an enterprise can be made at [Bolagsverket](#) and is open to foreign companies. The process of registering an enterprise can take a few days or up to a few weeks, depending on the complexity and form of the business enterprise. All business enterprises, including sole traders, need also to be registered with the Swedish Tax Agency, Skatteverket, before starting operations. Relevant information and guides can be found at: [Skatteverket](#). Depending on the nature of business, companies may need to register with the Environmental Protection Agency, Naturvårdsverket, or, if real estate is involved, the county authorities. Non-EU/EEA citizens need a residence permit, obtained from the Swedish Board of Migration, Migrationsverket, to start up and/or run a business. At [Verksam.se](#), a collaboration of several Swedish government agencies where relevant guides and services pertaining to registering, starting, running, expanding, and/or closing a business can be found. Sweden defines a micro enterprise as one with less than 10 employees, a small enterprise with less than 50 employees, and a medium enterprise with less than 250 employees.

Sweden has not implemented a single window registration process. However, the Swedish Maritime Single Window Project is Sweden's effort to simplify maritime business reporting duties in accordance with requests of the European Union, as instructed by [EU Directive 2010/65/EU](#) regarding requirements relating to coordination of administrative procedures.

Outward Investment

The Government of Sweden has commissioned the Swedish Exports Credit Guarantee Board (EKN) to promote Swedish exports and the internationalization of Swedish companies. EKN insures exporting companies and banks against non-payment in export transactions, thereby reducing risk and encouraging expanding operations. As part of its export strategy presented in 2015, the Swedish Government has also launched Team Sweden to promote Swedish exports and investment. Team Sweden is tasked with making export market entry clear and simple for Swedish companies and consists of a common network for all public initiatives to support exports and internationalization.

The Government does not generally restrict domestic investors from investing abroad. The only exceptions are related to matters of national security and national defense; the Inspectorate of Strategic Products (ISP) is tasked with control and compliance regarding the sale and exports of defense equipment and dual-use products. ISP is also the National Authority for the Chemical Weapons Convention and handles cases concerning targeted sanctions.

Bilateral Investment Agreements and Taxation Treaties

Sweden has concluded investment protection agreements with the following countries:

Albania, Algeria, Argentina, Armenia, Belarus, Bulgaria, Chile, China, Cote d'Ivoire, Croatia, Czech Republic, Ecuador, Egypt, Estonia, Ethiopia, Georgia, Guatemala, Hong Kong, Hungary, India, Indonesia, Iran, Kazakhstan, Kuwait, Kyrgyzstan, Laos, Latvia, Lebanon, Lithuania, Macedonia, Madagascar, Malaysia, Malta, Mauritius, Mexico, Mongolia, Morocco, Mozambique, Nicaragua (signed but not in force), Nigeria, Oman, Pakistan,

Panama, Peru, Philippines, Poland, Republic of Korea, Romania, Russian Federation, Saudi Arabia, Senegal, Serbia, Slovakia, South Africa, Sri Lanka, Tanzania, Thailand, Tunisia, Turkey, Ukraine, United Arab Emirates, Uruguay, Uzbekistan, Venezuela, Vietnam, Yemen, and Zimbabwe (signed but not in force). Sweden does not have a bilateral investment treaty with the United States.

Sweden is a member of the EU. The EU manages trade relations with third countries in the form of trade agreements. A list of concluded free trade agreements can be found [here](#).

The EU is conducting the following ongoing negotiations:

- Japan - negotiations for a Free Trade Agreement
- MERCOSUR (Argentina, Brazil, Paraguay, Uruguay) - part of a new Association Agreement
- Mexico - modernization of the existing Global Agreement
- Chile - an update to the current Association Agreement
- Australia and New Zealand - negotiations for Free Trade Agreements with both countries

BITs with third countries are available [here](#). Sweden and the United States signed a bilateral taxation treaty in 1994, which was amended in 2005. More information is available [here](#).

Sweden has concluded treaties of double taxation avoidance with the following countries: Albania, Argentina, Australia, Austria, Bangladesh, Barbados, Belgium, Belarus, Bolivia, Bosnia and Herzegovina, Botswana, Brazil, Bulgaria, Canada, Chile, China, Croatia, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Faeroe Islands, Finland, France, Gambia, Germany, Greece, Hungary, Iceland, India, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Kazakhstan, Kenya, Korea, Latvia, Lithuania, Luxembourg, Macedonia, Malaysia, Malta, Mauritius, Mexico, Montenegro, Namibia, Netherlands, New Zealand, Norway, Pakistan, Philippines, Poland, Portugal, Romania, Russia, Serbia, Singapore, Slovakia, Slovenia, South Africa, Spain, Sri Lanka, Switzerland, Taiwan, Tanzania, Thailand, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Kingdom, United States, Venezuela, Vietnam, Zambia, and Zimbabwe.

Legal Regime

Transparency of the Regulatory System

As an EU member, Sweden has altered its legislation to comply with the EU's stringent rules on competition. The country has made extensive changes in its laws and regulations to harmonize with EU practices, all to avoid distortions in or impediments to the efficient mobilization and allocation of investment. The institutions of the European Union are publicly committed to transparent regulatory processes. The European Commission has the sole right of initiative for EU regulations and publishes extensive, descriptive information on many of its activities. More information can be found at:

http://ec.europa.eu/atwork/decision-making/index_en.htm:

http://ec.europa.eu/smart-regulation/index_en.htm.

There are no informal regulatory processes managed by nongovernmental organizations, or private sector associations. Nongovernmental organizations and private sector associations may submit comments to government draft bills. The submitted comments are made public in the public consultation process.

Rule-making and regulatory authority on a national level exists formally in the legislative branch, the Riksdag. As a member of the EU, a growing proportion of legislation and regulation stem from the EU. These laws apply in some cases directly as national law or are put before the Riksdag to be enacted as national law. The executive branch, the Government of Sweden, and its various agencies draft laws and regulations that are put before the Riksdag and are adopted on a national level when they enter into force. Municipalities may draft regulations

that are within their spheres of competence. These regulations apply at the respective municipality only and may vary between municipalities.

Draft bills and regulations, which include investment laws, are made available for public comment through a public consultation process, along the lines of U.S. federal notice and comment procedures. Current and newly adopted legislation can be found at the Swedish Parliament's homepage and in the various government agencies dealing with the relevant regulation: <http://www.riksdagen.se/sv/dokument-lagar/>. Key regulatory actions are published at [Lagrummet](#). Lagrummet serves as the official site for information on Swedish legislation and provides information on legislation in the public domain, all statutes currently in force, and information on impending legislation. "Post och Inrikes Tidningar" serves in certain aspects a similar role as the Federal Register in the U.S., through which public notifications are published. The proclamations of "Post och Inrikes Tidningar" can be found at the Swedish Companies Registration Office, [Bolagsverket](#).

The judicial branch and various agencies are tasked with regulation oversight and/or regulation enforcement. The Swedish Parliamentary Ombudsmen, known as the Justitieombuds-männen (JO), are tasked to make sure that public authority complies with the law and follows administrative processes. They also investigate complaints from the public.

Regulations are reviewed based on scientific and/or data-driven assessments. The principle of public access to official documents, offentlighetsprincipen, governs the availability of the results of studies that are conducted by government entities and furthermore to comments made by government entities. The principle provides the Swedish public with the right to study public documents as specified in the Freedom of the Press Act.

International Regulatory Considerations

As an EU Member, Sweden complies with EU legislation in shaping its national regulations.

If a national law, norm, or standard is found to conflict with EU law, then the national law is altered to follow EU law. Sweden adheres to the practices of WTO and coordinates its actions regarding WTO with other EU Member State as the EU countries have a common trade policy.

Sweden is as of 2015 a signatory to the Trade Facilitation Agreement (TFA) and has completed all implementation commitments.

Legal System and Judicial Independence

Sweden's legal system is based on the civil law tradition, common to Europe, and founded on classical Roman law, but has been further influenced by the German interpretation of this tradition. Swedish legislation and Swedish agencies provide guidance on if regulations or enforcement actions are appealable and adjudicated in the national court system. Swedish courts are independent and free of influence from other branches of government, including the executive. Sweden has a written commercial law and contractual law and there are specialized courts, such as commercial and civil courts. The Swedish courts are divided into:

- Courts of general jurisdiction (the district courts, the Courts of Appeal and the Supreme Court) which has jurisdiction with respect to civil and criminal cases;
- Administrative courts (county administrative courts, Administrative Courts of Appeal and the Supreme Administrative Court) with jurisdiction with respect to issues of public law, including taxation; and
- Specialist courts for disputes within certain legal areas such as labor law, environmental law, and market regulation.

Sweden is a signatory to the New York Convention on Recognition and Enforcement of Foreign Arbitral Law; foreign awards may be enforced in Sweden regardless of which foreign country the arbitral proceedings took place. The main source of arbitration law in Sweden is the Swedish Arbitration Act which contains both procedural and substantive regulations. Sweden is a party to the Lugano and the Brussels Conventions and by

its membership of the EU; Sweden is also bound by the Brussels Regulation on Jurisdiction and the Recognition and Enforcement of Judgments in Civil and Commercial Matters. An arbitral award is considered final and is not subject to substantive review by Swedish courts. However, arbitral awards may be challenged for reasons set out in the Arbitration Act. An award may, for example, be set aside after a challenge because of procedural errors which are likely to have influenced the outcome.

Laws and Regulations on Foreign Direct Investment

During the 1990s, Sweden undertook significant deregulation of its markets. In several areas, including the electricity and telecommunication markets, Sweden has been on the leading edge of reform, resulting in more efficient sectors and lower prices. Nevertheless, several practical impediments to direct investments remain. These include an extensive, though non-discriminatory, system of permits and authorizations needed to engage in many activities and the dominance of a few very large players in certain sectors, such as construction and food wholesaling. Foreign banks, insurance companies, brokerage firms, and cooperative mortgage institutions are permitted to establish branches in Sweden on equal terms with domestic firms, although a permit is required. Swedes and foreigners alike may acquire shares in any company listed on NASDAQ OMX.

Sweden's taxation structure is straightforward and corporate tax levels are low. In 2013, Sweden lowered its corporate tax from 26.3 percent to 22 percent in nominal terms. The effective rate can be even lower as companies have the option of making deductible annual appropriations to a tax allocation reserve of up to 25 percent of their pretax profit for the year. Companies can make pre-tax allocations to untaxed reserves, which are subject to tax only when utilized. Certain amounts of untaxed reserves may be used to cover losses. Due to tax exemptions on capital gains and dividends, as well as other competitive tax rules such as low effective corporate tax rates, deductible interest costs for tax purposes, no withholding tax on interest, no stamp duty or capital duties on share capital, and an extensive double tax treaty network, Sweden is among Europe's most favorable jurisdictions for holding companies. Unlisted shares are always tax-exempt, meaning there is no qualification time or minimum holding of votes or capital. Listed shares are exempt if the holding represents at least 10 percent of the voting rights (or is contingent on the holder's business) and the shares are held for at least one year.

Personal income taxes are among the highest in the world. Since public finances have improved due to extensive consolidation packages to reduce deficits, the government has been able to reduce the tax pressure as a percentage of GDP: currently it is below 50 percent, for the first time in decades. One focus has been tax reductions to encourage employers to hire the long-term unemployed.

Dividends paid by foreign subsidiaries in Sweden to their parent company are not subject to Swedish taxation. Dividends distributed to other foreign shareholders are subject to a 30 percent withholding tax under domestic law, unless dividends are exempt or taxed at a lower rate under a tax treaty. Tax liability may also be eliminated under the EU Parent Subsidiary Directive. Profits of a Swedish branch of a foreign company may be remitted abroad without being subject to any other tax than the regular corporate income tax. There is no exit taxation and no specific rules regarding taxation of stock options received before a move to Sweden. Instead, cases of double taxation are solved by applying tax treaties and cover not only moves within the EU but all countries, including the United States.

For detailed tax guidance see the Swedish Tax Administration's website: [here](#).

Competition and Anti-Trust Laws

As an EU member, Sweden has altered its legislation to comply with the EU's stringent rules on competition. The competition law rules are contained in the Swedish Competition Act (2008:579), which entered into force in November 2008. The fundamental antitrust provisions have been the same since 1993. The Swedish Competition Authority (SCA) is the main enforcement authority of the Swedish Competition Act.

Expropriation and Compensation

Private property is only expropriated for public purposes, in a non-discriminatory manner, with fair compensation, and in accordance with established principles of international law.

Dispute Settlement

ICSID Convention and New York Convention

Sweden is a member of the World Bank-based International Center for the Settlement of Investment Disputes (ICSID) and includes ICSID arbitration of investment disputes in many of its bilateral investment treaties (BITs). Sweden is a signatory to the New York Convention on Recognition and Enforcement of Foreign Arbitral Law.

Investor-State Dispute Settlement

There have been no major disputes over investment in Sweden in recent years. There is no history of extrajudicial action against foreign investors.

International Commercial Arbitration and Foreign Courts

Swedish arbitration law is advanced and in line with current best practice of international arbitration. The main source of arbitration law in Sweden is the Swedish Arbitration Act which contains both procedural and substantive regulations.

Sweden is a party to the Lugano and the Brussels Conventions and by its membership of the EU; Sweden is also bound by the Brussels Regulation on Jurisdiction and the Recognition and Enforcement of Judgments in Civil and Commercial Matters. An arbitral award is considered final and is not subject to substantive review by Swedish courts. However, arbitral awards may be challenged for reasons set out in the Arbitration Act. An award may, for example, be set aside after challenge because of procedural errors which are likely to have influenced the outcome. The Arbitration Institute of the Stockholm Chamber of Commerce (SCC) has administered arbitrations under the UNCITRAL Arbitration Rules for many years, usually acting as the Appointing Authority. Parties to a dispute may adopt the Procedures by agreement before or after the dispute has arisen.

The SCC maintains different versions of the Procedures depending on which version of the UNCITRAL Arbitration Rules applies to the arbitration agreement in question (1976 or 2010 versions).

Bankruptcy Regulations

The Swedish legislation on bankruptcy is found in several laws that came into force in different periods of time and to serve different purposes. The main laws on insolvency are the Bankruptcy Act (1987:672) and the Company Reorganization Act (1996:764), but the Preferential Rights of Creditors Act (1970:979), the Salary Guarantee Act (1992:497) and the Companies Act (1975:1385) are equally important. In 2010, Sweden strengthened its secured transactions system through changes to the Rights of Priority Act that give secured creditors' claims priority in cases of debtor default outside bankruptcy. According to data collected by the World Bank's 2018 Doing Business Report, resolving insolvency takes 2.0 years on average and costs 9.0 percent of the debtor's estate, with the most likely outcome being that the company will be sold as a going concern. The average recovery rate is 78.1 cents on the dollar. Globally, Sweden ranked 16 of 190 economies on the ease of resolving insolvency in the Doing Business 2018 report.

The Financial Supervisory Authority, Finansinspektionen, is Sweden's financial monitoring authority and is tasked with promoting stability and efficiency in the financial system as well as to ensure an effective consumer protection. It authorizes, supervises and monitors all companies operating in Swedish financial markets, which includes banks and other credit institutions.

Industrial Policies

Investment Incentives

The Swedish government offers certain incentives to set up a business in targeted depressed areas. Loans are available on favorable terms from the Swedish Agency for Economic and Regional Growth (Tillväxtverket) and from regional development funds. A range of regional support programs, including location and employment grants, low rent industrial parks, and economic free zones are also available. Regional development support is concentrated in the lightly populated northern two-thirds of the country. In addition, EU grant and subsidy programs are generally available only for nationals and companies registered in the EU, usually on a national treatment basis. For more information, see Chapter 7 “Trade and Project Financing” in Country Commercial Guide for Sweden.

Foreign Trade Zones/Free Ports/Trade Facilitation

Sweden has foreign trade zones with bonded warehouses in the ports of Stockholm, Göteborg, Malmö, and Jönköping. Goods may be stored indefinitely in these zones without customs clearance, but they may not be consumed or sold on a retail basis. Permission may be granted to use these goods as materials for industrial operations within a free trade zone. The same tax and labor laws apply to foreign trade zones as to other workplaces in Sweden.

Performance and Data Localization Requirements

As an EU Member State, Sweden adheres to the EU’s General Data Protection Directive (95/46/EC) which spells out strict rules concerning the processing of personal data. Businesses must tell consumers that they are collecting data, what they intend to use it for, and to whom it will be disclosed. Data subjects must be given the opportunity to object to the processing of their personal details and to opt-out of having them used for direct marketing purposes. This opt-out should be available at the time of collection and at any point thereafter. While the EU institutions are considering new legislation (GDPR), the 1995 Directive remains in force.

The EU-U.S. Privacy Shield Frameworks were designed by the U.S. Department of Commerce and the European Commission to provide companies on both sides of the Atlantic with a mechanism to comply with data protection requirements when transferring personal data from the European Union to the United States in support of transatlantic commerce. On July 12, 2016, the European Commission deemed the EU-U.S. Privacy Shield Framework adequate to enable data transfers under EU law. For further information and guidance on the Privacy Shield Framework please see: <https://www.commerce.gov/privacyshield>.

The Swedish Data Protection Authority, Datainspektionen, works to prevent encroachment upon privacy through information and by issuing directives and codes of statutes. Datainspektionen also handles complaints and carries out inspections. By examining government bills the DPA ensures that new laws and ordinances protect personal data in an adequate manner. Further guidance and information is available in English on their website at Datainspektionen.

There are no measurements that prevent or unduly impede companies from freely transmitting customer or other business-related data outside Sweden’s territory. Sweden imposes no performance requirements on presumptive foreign investors.

In general, there is no government policy that requires the hiring of nationals. There is no excessively onerous visa, residence, work permit, or similar requirements inhibiting mobility of foreign investors and their employees. Sweden does not follow “forced localization,” the policy in which foreign investors must use domestic content in goods or technology and there are no requirements for foreign IT providers to turn over source code and/or provide access to encryption.

Protection of Property Rights

Real Property

Swedish law generally provides for adequate protection of real property. Mortgages and liens exist and the recording system is reliable. Almost all land has clear title and unoccupied property ownership cannot revert to other owners. Financial mechanisms are available in Sweden for securitization of properties for lending purposes and have been in use since the early 1990s. Nordic banks account for most of secured lending transactions. The Swedish Financial Supervisory Authority, Finansinspektionen, can provide further information regarding the regulations involved with securitization of properties: [Finansinspektionen](#).

Intellectual Property Rights

Swedish law generally provides adequate protection of all property rights, including intellectual property and real property. As a member of the European Union, Sweden adheres to a series of multilateral conventions on industrial, intellectual, and commercial property.

Patents: Protection in all areas of technology may be obtained for 20 years. Sweden is a party to the Patent Cooperation Treaty and the European Patent Convention of 1973; both entered into force in 1978.

Copyrights: Sweden is a signatory to various multilateral conventions on the protection of copyrights, including the Berne Convention of 1971, the Rome Convention of 1961, and the WTO's trade related intellectual property (TRIPS) agreement. Swedish copyright law protects computer programs and databases. More recently, Sweden gained notoriety as a safe haven for internet piracy, due to rapid internet connection speeds, a lag in implementing EU Directives, and weak enforcement efforts. In 2009, however, Sweden implemented the EU's Intellectual Property Rights Enforcement Directive (IPRED) 2004/48/EC and continued to step up its enforcement against internet piracy. The last few years also saw the conviction of the operators behind the Pirate Bay.org, a notorious Bit Torrent tracker for illegal file-sharing, and an increase in legal file-sharing. Legislative measures, combined with added resources on the enforcement side and the emergence of successful legal alternatives all contributed to a substantial increase for music and film distribution using legal means since 2010. Sweden has set up a Specialist Court for IPR-related cases, which will further increase efficiency by pooling specialist competence. The IP Court, the so-called Patent and Market Court, started operations on September 1, 2016.

Trademarks: Sweden protects trademarks under a specific trademark act (1960:644) and is a signatory to the 1989 Madrid Protocol.

Trade secrets: Proprietary information is protected under Sweden's patent and copyright laws unless acquired by a government ministry or authority, in which case it may be made available to the public on demand.

Designs: Sweden is a party to the Paris Convention and the Locarno Agreement and Designs governed by the Swedish Design Protection Act as well as the Council Regulation on Registered and Unregistered Designs. Protection under the Act lasts for renewable terms of one or several five-year periods with a total, maximum, protection time of 25 years.

Sweden is not listed in USTR's Special 301 report. For additional information about national laws and points of contact at local IP offices, please see WIPO's country profiles at <http://www.wipo.int/directory/en>.

Financial Sector

Capital Markets and Portfolio Investment

Credit is allocated on market terms and is made available to foreign investors in a non-discriminatory fashion. The private sector has access to a variety of credit instruments. Legal, regulatory, and accounting systems are transparent and consistent with international norms. NASDAQ-OMX is a modern, open, and active forum for domestic and foreign portfolio investment. It is an official stock exchange and operates under specific legislation. Furthermore, the Swedish government is neutral toward portfolio investment and Sweden has a fully capable regulatory system that encourages and facilitates portfolio investments.

Money and Banking System

Several foreign banks, including Citibank, have established branch offices in Sweden, and several niche banks have started to compete in the retail bank market. The four largest Swedish banks are Nordea, Skandinaviska Enskilda Banken (SEB), Svenska Handelsbanken, and Swedbank. Danske Bank is the largest foreign bank and the fifth largest bank in Sweden. A deposit insurance system was introduced in 1996, whereby individuals received protection of up to SEK 250,000 (USD 38,285) of their deposits in case of bank insolvency. On December 31, 2010, the maximum compensation was raised to the SEK equivalent of 100,000 euro.

The banks' activities are closely supervised by the Swedish Financial Supervisory Authority, [Finansinspektionen](#), to ensure that all necessary standards are met. Swedish banks' financial statements meet the international standards well and are audited by internationally recognized auditors only. The [Swedish Bankers' Association](#), represents banks and financial institutions in Sweden. The association works closely with regulators and policy makers in Sweden and Europe. Sweden is not part of the Eurozone; however Swedish commercial banks offer euro-denominated accounts and payment services.

On July 1, 2014, Sweden signed the Foreign Account Tax Compliance Act (FATCA) agreement with the U.S. Financial institutions in Sweden are now obligated to submit information in accordance with FATCA to the Swedish Tax Agency. In February 2015, the Swedish Parliament decided on new laws and regulations needed to implement FATCA. The Parliamentary decision means the government's proposals in Bill 2014/15:41 were adopted, including for example, the introduction of:

- a new law on the identification of reportable accounts with respect to the agreement;
- changes to tax procedure act;
- new legislation on the exchange of information with respect to the agreement; and
- consequential amendments to the Income Tax Act and other laws.

The provisions entered into force on April 1, 2015. For full text of Bill 2014/15:41, please see [here](#).

Foreign banks or branches offering financial services must have an authorization from the Swedish Financial Supervisory Authority, Finansinspektionen, to conduct operations. As part of the authorization application process, FI reviews the firm's capital situation, business plan, owners, and management. Parts of the firm's daily operations may also require authorization from FI. The applicable regulatory code can be found [here](#).

There are no report losses of correspondent banking relationships in the past three years and there are no current correspondent banking relationships that are in jeopardy. Foreigners have the right to open an account in a bank in Sweden provided he/she can identify him/herself and the bank conducts an identity check. The bank cannot require the person to have a Swedish personal identity number, or an address in Sweden.

Sweden has not explored or announced that it intends to implement or allow the implementation of blockchain technologies in its banking transactions. However, the Swedish Land Registry is testing blockchain technology for land registry. If successful, it could pave the way for property transactions. Crypto-currencies, which rely on blockchain technologies, are not used as a means of payment in Sweden to any considerable extent, according to an Economic Commentary report compiled by the Swedish Central Bank. The report estimates that around 40 Swedish companies currently accept crypto-currencies as a means of payment. Alternative

financial services in Sweden, such as crowdfunding and peer-to-peer lending, are available but their current use is limited.

Foreign Exchange and Remittances

Foreign Exchange Policies

Sweden adheres to a floating exchange rate regime and the national currency rate fluctuates.

Remittance Policies

Sweden does not impose any restrictions on remittances of profits, proceeds from the liquidation of an investment, or royalty and license fee payments. A subsidiary or branch may transfer fees to a parent company outside of Sweden for management services, research expenditures, etc. Funds associated with any form of investment can be freely converted into any world currency. In general, yields on invested funds, such as dividends and interest receipts, may be freely transferred. A foreign-owned firm may also raise foreign currency loans both from its parent corporation and credit institutions abroad. There are no recent changes or plans to change investment remittance policies. There are no time limitations on remittances.

Sovereign Wealth Funds

There is no Sovereign Wealth Fund in Sweden.

State-Owned Enterprises

The Swedish state is Sweden's largest corporate owner and employer. Forty-eight companies are entirely or partially state-owned and are managed through the Government Offices. Approximately 137,000 people are employed by these companies, including associated companies. Sectors which feature state-owned enterprises (SOEs) include energy/power generation, forestry, mining, finance, telecom, postal services, gambling, and retail liquor sales. These companies operate under the same laws as private companies, although the government appoints board members, reflecting government ownership. Like private companies, SOEs have appointed boards of directors, and the government is constitutionally prevented from direct involvement in the company's operations. Like private companies, SOE's publish their annual reports, which are subject to independent audit. Private enterprises compete with public enterprises under the same terms and conditions with respect to access to markets, credit, and other business operations. Moreover, Sweden is party to the General Procurement Agreement (GPA) within the framework of the World Trade Organization (WTO). Swedish SOEs adhere to the OECD Guidelines on Corporate Governance for SOEs.

Further information regarding the Swedish SOEs can be found [here](#).

Privatization Program

The Swedish center-left Government, voted into office in September 2014, has the mandate to divest or liquidate its holdings in Bilprovningen (Swedish Motor-Vehicle Inspection Company), Bostadsgaranti, Lernia, Orio (formerly Saab Automobile Parts), SAS and Svensk Exportkredit (SEK). Although there are no indications that the current Government will use its mandate, it nonetheless decided in 2016 to let Vattenfall divest its German lignite operations to the Czech energy group EPH and their funding partners PPF Investments. The sale was made to adapt Vattenfall's portfolio and to complete the transition to a carbon neutral operation. If the Government of Sweden decides to divest or liquidate holdings, then a public bidding process is implemented.

Responsible Business Conduct

There is wide-spread awareness of responsible business conduct (RBC) among both producers and consumers in Sweden. All businesses are expected to comply with local laws and regulations, and to observe the international norms and principles for human rights, labor protection, sustainable development, and anti-corruption. Firms that pursue RBC are viewed favorably, often publicizing their adherence to generally accepted RBC principles such as those contained in OECD Guidelines for Multinational Enterprises. Volvo Trucks, for example, has partnered with USAID in pursuing RBC efforts outside of Sweden. The Swedish National Contact Point for the OECD Guidelines can be found at: <https://www.regeringen.se/regeringens-politik/handel-och-investeringsframjande/nationella-kontaktpunkten/>.

Sweden effectively and fairly enforces domestic laws in relation to human rights, labor rights, consumer protection, environmental protections, and other laws/regulations intended to protect individuals from adverse business impacts. Sweden has put in place corporate governance, accounting, and executive compensation standards to protect shareholders. Sweden is a member of the Extractive Industries Transparency Initiative (EITI). The former prime minister of Sweden, Fredrik Reinfeldt, is the current Chair of EITI.

Corruption

Investors have an extremely low likelihood of encountering corruption in Sweden. While there have been cases of domestic corruption at the municipal level, most companies have high anti-corruption standards and an investor would not typically be put in the position of having to pay a bribe to conduct business.

There are cases of Swedish companies operating overseas that have been charged with bribing foreign officials; however, these cases are relatively rare. Although Sweden has comprehensive laws against corruption, and ratified the 1997 OECD Anti-bribery Convention, in June of 2012, the OECD Anti-Bribery Working Group has given an unfavorable review of Swedish compliance to the dictates of that Convention. The group faulted Sweden for not having a single conviction of a Swedish company for bribery in the last eight years, for having unreasonably low fines, and for not re-framing their legal system so that a corporation could be charged with a crime. Swedish officials object to the review, claiming that lack of convictions is not proof of prosecutorial indifference, but rather indicative of high standards of ethics in Swedish companies. Over the last four years, a high-profile case involving telecom giant Telia Company's operations in Uzbekistan has received considerable public attention and cost the CEO and other senior officials their jobs. Telia Company was in the process of divesting its operations in Uzbekistan following a probe by the US Department of Justice pertaining to illegal payments. In September 2017, Telia Company reached an agreement to pay USD 965.8 million to settle U.S. and European criminal and civil charges that the company had paid bribes to win business in Uzbekistan.

Sweden does not have a specific agency devoted exclusively to anti-corruption, but several agencies cooperate. A list of Sweden's Public and Private Anti-Corruption Initiatives can be found at <http://www.business-anti-corruption.com/country-profiles/europe-central-asia/sweden/initiatives.aspx>.

UN Anticorruption Convention, OECD Convention on Combatting Bribery

Sweden has signed and ratified the UN Anticorruption Convention (see list of signatories at <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>).

Sweden is party to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (see list of signatories and their implementation reports [here](#)).

Resources to Report Corruption

The National Corruption Group at the Swedish Police, Nationella Korruptionsgruppen, handles the investigation of corruption offences and is engaged in preventive efforts. Corruption claims can be reported to the Group by calling +46 114 14

Watchdog organization:

Transparency International Sweden

Telephone: + 46 (0)8 791 40 40

E-mail address: info@transparency-se.org

www.transparency-se.org/In-English.html

Political and Security Environment

Sweden is politically stable and no changes are expected.

Labor Policies and Practices

Sweden's labor force of 5.1 million is disciplined, well-educated, and highly skilled in all modern technologies. About 68 percent of the Swedish labor force is unionized, although membership is declining. Swedish unions have helped to implement business restructuring to remain competitive, and strongly favor employee education and technical advancements. Management-labor cooperation is generally excellent and non-confrontational. The National Mediation Office, which mediates in labor disputes in Sweden, reported in its summary for 2017 that despite an extensive round of bargaining in 2017, covering 497 signed agreements, not a single working day was lost through strikes or lockouts in the course of these central negotiations. This had never previously occurred in a bargaining round of corresponding size since the National Mediation Office (NMO) was established in the year 2000.

The Swedish economy is growing at a pace well above the EU average, with job growth of 97,000 jobs in 2017 and an additional 74,000 jobs in 2018. That translates into an unemployment rate drop from 7.0 percent in 2016 to 6.8 percent at the end of 2017, and to 6.6 percent in 2018, according to a December 13 report from the Swedish Labor Service.

Despite favorable economic conditions, low-skilled adolescents, older unemployed persons (aged 55-64), persons with disabilities, and immigrants from outside of Europe find it difficult to gain employment in Sweden, according to studies conducted by the Institute for Labor Market and Education Policy Evaluation (IFAU). The rate of unemployment among new arrivals and foreign-born residents remains about 12 percentage points higher than among native Swedes. Favorable economic conditions have, however, contributed to the Youth Unemployment Rate in Sweden decreased to 14.40 percent, its lowest level since the financial crisis in 2008, but still well above the unemployment average. Foreign/migrant workers are covered by Swedish and EU labor laws. Labor laws are not waived in order to attract or retain investment. In general, there is no government policy that requires the hiring of nationals.

Sweden has a Co-determination at Work Act, which provides for labor representation on the boards of corporate directors once a company has reached more than 25 employees. This law also requires management to negotiate with the appropriate union or unions prior to implementing certain major changes in company activities. It calls for a company to furnish information on many aspects of its economic status to labor representatives. Labor and management usually find this system works to their mutual benefit. The Co-determination at Work Act and Employment Protection Act sets the rules for the adjustment employment to respond to fluctuating market conditions. Severances and layoffs are based on seniority and are conducted in consultation with unions. Unemployment insurance and other social safety net programs are available for workers laid off for economic reasons. Government-sponsored training programs to facilitate the transition for unemployed persons into areas reporting labor shortages are available, but their scope is targeted.

The cost of doing business in Sweden is generally comparable to most OECD countries, though some country-specific cost advantages are present. Overall salary costs have become increasingly competitive due to relatively modest wage increases over the last decade and a favorable exchange rate. This development is even more pronounced for highly-qualified personnel and researchers.

There is no fixed minimum wage by legislation. Instead, wages are set by collective bargaining by sector. The traditionally low-wage differential has increased in recent years as a result of increased wage setting flexibility at the company level. Still, Swedish unskilled employees are relatively well paid, while well-educated Swedish employees are low-paid compared to those in competitor countries. The average increases in real wages in recent years have been high by historical standards, in large due to price stability. Even so, nominal wages in recent years have been slightly above those in competitor countries, about 3 percent annually. Employers must pay social security fees of about 31.5 percent. The fee consists of statutory contributions for pensions, health insurance and other social benefits.

Sweden has ratified most International Labor Organization (ILO) conventions dealing with worker’s rights, freedom of association, collective bargaining, and the major working conditions and occupational safety and health conventions. More information on Sweden’s labor agreements and legislation in English can be found on the Swedish Trade Union Confederation’s [website](#). There are no new labor related laws or regulations enacted during the last year, as well as any pending draft bills.

Sweden is a member of the European Union (EU). Sweden’s trade relationship with the United States is impacted by the EU, in that the EU has a common trade policy for all member countries.

OPIC and Other Investment Insurance Programs

The Overseas Private Investment Corporation, OPIC, does not operate in Sweden.

Foreign Direct Investment and Foreign Portfolio Investment Statistics

Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy

		Host Country		USG source	
Economic Data		Year	Amount	Year	Amount
Host Country Gross Domestic Product (GDP) (\$M USD)		2016	\$536,124	2016	\$514,460
Foreign Investment	Direct	2016	N/A	2016	N/A

U.S. FDI in partner country (\$M USD, stock positions)	2016	\$27,142	2016	\$27,145
Host country's FDI in the United States (\$M USD, stock positions)	2016	\$53,675	2016	\$46,933
Total inbound stock of FDI as % host GDP	2016	\$10.0%	2016	\$9.1%

Table 3: Sources and Destination of FDI

Direct Investment from/in Counterpart Economy Data

From Top Five Sources/To Top Five Destinations (US Dollars, Millions)

Inward Direct Investment			Outward Direct Investment		
Total Inward	300 998	100%	Total Outward	359 298	100%
Netherlands	50 754	16.8%	United States	53 188	14.8%
Luxembourg	44 182	14.7%	Finland	33 714	9.4%
United Kingdom	40 043	13.3%	Netherlands	33 349	9.2%
Finland	29 089	9.7%	Norway	27 263	7.6%
Germany	28 481	9.5%	Luxembourg	24 829	6.9%

"0" reflects amounts rounded to +/- USD 500,000.

Table 4: Sources of Portfolio Investment

Portfolio Investment Assets

Top Five Partners (Millions, US Dollars)

Total	Equity Securities		Total Debt Securities				
All Countries	549,142	100%	All Countries	435,536 100%	All Countries	139,354	100%
United States	165,209	30.1%	United States	133,777 30.1%	United States	31,432	22.6%

Luxembourg	84,768	15.4%	Luxembourg	80,208	18.4%	United Kingdom	16,397	11.8%
United Kingdom	46,246	8.4%	United Kingdom	29,849	6.8%	Denmark	15,358	11.0%
Germany	29,473	5.4%	Japan	17,162	3.9%	Germany	14,538	10.4%
Switzerland	28,881	5.3%	Switzerland	15,885	3.6%	Norway	13,138	9.4%

Contact for More Information

Economic Unit
 U.S. Embassy Stockholm
 Dag Hammarskjölds Väg 31
 115 89 Stockholm, Sweden
 +46 (0)8 783 5309
 StockholmICS@state.gov

U.S. Commercial Service
 U.S. Embassy Stockholm
 Dag Hammarskjölds Väg 31
 115 89 Stockholm, Sweden
 www.export.gov/sweden
 office.stockholm@trade.gov

Trade & Project Financing

Methods of Payment

The Swedish payment and banking systems are highly automated and advanced. Common terms of sale are payment within 30-90 days after delivery. The most common method of international payment is transferred via electronic funds/bank transfer. Other common trade finance methods include documentary collections, letters of credit and payment guarantee. For more information about the methods of payment or other trade finance options, please read the [Trade Finance Guide](#).

A U.S. exporter looking to recover debts should contact the [Association of Swedish Debt Collectors](#) for information on and contact with debt collecting agencies.

Major credit cards such as VISA and MasterCard are accepted throughout Sweden. Diner's Club and American Express may be less acceptable due to the high service charges associated with them.

Credit reports on Swedish companies can be obtained by contacting one of the sources below:

Bisnode Dun & Bradstreet Sweden	https://www.bisnode.se/produkter/dun-bradstreet/
Credit Safe	https://www.creditsafe.com/se/sv.html
Decidas Info AB	http://www.decidas.com/om-decidas.html
Sergel	https://sergel.se/
Syna	https://upplysningar.syna.se/
UC	https://www.uc.se/

Banking Systems

The Swedish market is made up of four main categories of banks: Swedish commercial banks, foreign banks, savings banks, and co-operative banks. All the above-mentioned types of banks are - since the amendment of banking legislation in 1969 - entitled to operate in all areas of banking. In 2017 Sweden had a total of 119 banks. The four largest Swedish banks are Nordea, Skandinaviska Enskilda Banken (SEB), Svenska Handelsbanken, and Swedbank.

In 1986, Sweden issued a charter for the first 12 foreign-owned commercial banks and since 1990 foreign-owned banks have been entitled to open branch offices in Sweden. These branch offices have primarily

concentrated on servicing the business sector. Also, in 1990, the restrictions concerning foreign ownership of Swedish bank stock were abolished. In 2017 there were a total of 29 foreign banks represented in Sweden, the largest being the Danske Bank, which is the fifth largest bank in Sweden. As mentioned above, Sweden is not part of the Eurozone; however Swedish commercial banks offer euro-denominated accounts and payment services.

Banks' and financial institutions activities are closely supervised by the [Swedish Financial Supervisory Authority](#). Banks and financial institutions are represented by [The Swedish Bankers' Association](#) in Sweden. See both websites for information in English about the Swedish financial sector.

In 2014, Sweden entered into the Foreign Account Tax Compliance Act (FATCA) agreement with the US.

Foreign Exchange Controls

Foreign exchange controls are not levied in Sweden, however there are reporting requirements for Sweden-based companies when remitting or borrowing funds internationally. Commercial transactions are, in general, not subject to any restrictions.

US Banks & Local Correspondent Banks

There are two American banks represented in Sweden: [Citi](#) and [JP Morgan](#). All large Swedish banks have corresponding U.S. banking arrangements. Many Swedish banks also have subsidiaries or branch offices in the United States.

Project Financing

The Swedish Government arranges its own financing for infrastructure projects. Private projects are financed through a well-established local capital market.

EU financial assistance programs provide a wide array of grants, loans, loan guarantees, and co-financing for feasibility studies and projects in a number of key sectors (e.g., environmental, transportation, energy, telecommunications, tourism, public health). A number of centralized financing programs are also generating procurement and other opportunities directly with EU institutions.

The EU supports economic development projects within its Member States, as well as EU-wide "economic integration" projects that cross both internal and external EU borders. In addition, the EU aids candidate and neighbor countries.

The EU provides project financing through grants from the EU budget and loans from the European Investment Bank. Grants from the EU Structural and Investment Funds program are distributed through the Member States' national and regional authorities. Projects in non-EU countries are managed through the Directorate-Generals for Enlargement, Development and Cooperation (EuropeAid), and Humanitarian Aid and Civil Protection (ECHO).

EU Structural and Investment Funds (ESIF)

EU Structural Funds, including the European Regional Development and the European Social Fund, were created in 1975 with the aim to mitigate economic and social differences between the regions of the European Union. New budgets are approved every seven years for all Member States. The budgets and the allocation of funding between the different priorities (social, economic, or environmental) are based on the conclusions of the "Partnership Agreements" (PAs) which are negotiated between the European Commission and the member state national authorities. For the period of 2014 – 2020, the EU has earmarked 352 billion euros for regional

development and cohesion policy projects. For information on [approved programs](#) that will result in future project proposals.

For projects financed through ESIF, member state regional managing authorities are the key decision-makers. They assess the needs of their country, investigate projects, evaluate bids, and award contracts. To become familiar with available financial support programs in the Member States, it is advisable for would-be contractors to develop a sound understanding of the country's cohesion policy indicators.

Tenders issued by Member States' public contracting authorities for projects supported by EU grants are subject to EU public procurement legislation. All ESIF projects are co-financed by national authorities and many may also qualify for a loan from the European Investment Bank and EU research funds under Horizon 2020, in addition to private sector contribution. For more information on these programs, please see the market research section on the website of the U.S. Mission to the EU: [Market Intelligence](#)

The Cohesion Fund

The Cohesion Fund is another instrument of the EU's regional policy. Its 63 billion euro (2014-2020) budget is used to finance projects in two areas:

Trans-European transport projects including transport infrastructure, and environment, including areas related to sustainable development and energy for projects with environmental benefits.

The fund supports projects in Member States whose Gross National Income (GNI) per inhabitant is less than 90 percent of the EU average, such as Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia, and Slovenia.

These projects are, in principle, co-financed by national authorities, the European Investment Bank, and the private sector:

Key Link: [The Cohesion Fund](#)

Other EU Grants for Member States

Other sets of sector-specific grants such as Horizon 2020 offer assistance to EU Member States in the fields of science, technology, communications, energy, security, environmental protection, education, training, and research. Tenders related to these grants are posted on the websites of the European Commission and the relevant Member State authorities. Participation is usually restricted to EU-based firms or tied to EU content. Information pertaining to each of these programs can be found at: [EU Funding and Tenders](#).

External Assistance Grants

"Development and Cooperation – EuropeAid" is the Directorate-General (DG) responsible for implementing EU development policies through programs and projects across the world. Its website offers extensive information on the range of grant programs, the kind of projects that are eligible, as well as manuals to help interested parties understand the relevant contract law. However, participation in these calls for tender is reserved for enterprises located in the EU Member States or in the beneficiary countries and requires that the products used to respond to these projects are manufactured in the EU or in the aid recipient country. Consultants of U.S. nationality employed by a European firm are allowed to participate. European subsidiaries of U.S. firms are eligible to participate in these calls for tender.

For more information: [International Cooperation and Development](#)

The European Neighborhood Instrument (ENI) aids countries that are the Southern Mediterranean and Eastern neighbors of the EU. ENI is the follow-up to the European Neighborhood Policy program (ENPI) covering the countries of Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova,

Morocco, the occupied Palestinian territory, Syria, Tunisia, and Ukraine. The ENI budget is 15.4 billion euros for 2014-2020. Additional information can be found at: [EU External Action](#)

Instrument for Pre-accession Assistance II (IPA II) is an EU program for pre-accession countries that provides support for political and economic reforms, preparing the beneficiaries for the rights and obligations that come with EU membership and that are linked to the adoption of the *acquis communautaire* (the body of European Union law that must be adopted by candidate countries as a precondition to accession). These programs are intended to help build up the administrative and institutional capacities of these countries and to finance investments designed to aid them in complying with EU law. IPA II runs from 2014 to 2020 and finances projects in: Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Kosovo, Montenegro, Serbia, and Turkey. The budget of IPA II for 2014-2020 is 11.7 billion euros.

For more information: http://ec.europa.eu/enlargement/instruments/overview/index_en.htm#ipa2

The **Connecting Europe Facility (CEF)** is an EU financing mechanism that uses the EC budget as well as the Cohesion Funds to finance projects in three key areas: energy, transport and telecom. It was created by [Regulation 1316/2013](#) on December 11, 2013.

Along with the [European Fund for Strategic Investments \(EFSI\)](#), CEF is expected to play a role in bridging the investment gap in Europe, which is one of the Commission's top priorities. In all three main categories the focus is on creating better conditions for growth and jobs. [Annual and multi-annual work programs](#) specify the priorities and the total amount of financial support allocated for these priorities in a given year.

Only actions contributing to projects of common interest in accordance with [Regulations 1315/2013](#), No 347/2013 and a Regulation on guidelines for trans-European networks in the area of telecommunications infrastructure, as well as program support actions, are eligible for support.

Projects supported through the CEF mechanism focus on the following:

- cleaner transport modes;
- high speed broadband connections; and
- the use of renewable energy (in line with the Europe 2020 Strategy), integration of the internal energy market, reduction of the EU's energy dependency and ensuring security of supply.

The total budget of the CEF for the period 2014 to 2020 is set at €30.44 billion. This amount is distributed between the main priority areas as follows:

- a) transport sector: €24.05 billion;
- b) telecommunications sector: €1 billion; and
- c) energy sector: €5.35 billion

Please see: [Connecting European Facility](#)

Loans from the European Investment Bank

Headquartered in Luxembourg, the European Investment Bank (EIB) is the financing arm of the European Union. Since its creation in 1958, the EIB has been a key player in building Europe. As a non-profit banking institution, the EIB assesses reviews and monitors projects, and offers cost-competitive, long-term lending. Best known for its project financial and economic analysis, the EIB makes loans to both private and public borrowers for projects supporting four key areas: innovation and skills, access to finance for smaller businesses, climate and environment, and infrastructure.

While the EIB mostly funds projects within the EU, it lends outside the EU as well (e.g., in Southeastern Europe, Africa, Latin America, and Pacific and Caribbean states). In 2016, the EIB loaned 76 billion euros for projects. The EIB also plays a key role in supporting EU enlargement with loans used to finance improvements in infrastructure, research, and industrial manufacturing to help those countries prepare for eventual EU membership.

The EIB presents attractive financing options for projects that contribute to the European objectives cited above, as EIB lending rates are lower than most other commercial rates.

Projects financed by the EIB must contribute to the socio-economic objectives set out by the EU, such as fostering the development of less favored regions, improving European transport and environment infrastructure, supporting the activities of SMEs, assisting urban renewal and the development of a low-carbon economy, and generally promoting growth and competitiveness in the EU. The [EIB website](#) displays lists of projects to be considered for approval.

Multilateral Development Banks:

World Bank

With 189-member countries, the World Bank is an international financial institution that provides loans to countries of the world for capital programs.

European Bank for Reconstruction and Development (EBRD)

The European Bank for Reconstruction and Development (EBRD) was founded in 1991 to create a new post-Cold War era in central and eastern Europe, furthering progress towards 'market-oriented economies and the promotion of private and entrepreneurial initiative.

U.S. Commercial Service Liaison Offices at the Multilateral Development Banks (European Bank for Reconstruction and Development, World Bank)

The Commercial Service maintains Commercial Liaison Offices in each of the main Multilateral Development Banks, including the European Bank for Reconstruction and Development and the World Bank. These institutions lend billions of dollars in developing countries on projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and advancing infrastructure development. The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. Learn more by contacting the Commercial Liaison Offices to the [European Bank for Reconstruction and Development](#) and the [World Bank](#).

Web Resources

EU websites:

[The EU regional policies, the EU Structural and Cohesion Funds](#)

[EU Funding and Tenders](#)

[EuropeAid Co-operation Office](#)

[EU Tenders Database](#)

[The European Investment Bank](#)

[EIB-financed projects](#)

Swedish websites:

[Bisnode Dun & Bradstreet Sweden \(www.bisnode.se/produkter/dun-bradstreet/\)](http://www.bisnode.se/produkter/dun-bradstreet/)
[Citi \(www.citigroup.com/citi/about/countries-and-jurisdictions/sweden.html\)](http://www.citigroup.com/citi/about/countries-and-jurisdictions/sweden.html)

[Credit Safe \(www.creditsafe.com/se/sv.html\)](http://www.creditsafe.com/se/sv.html)

[Decidas Info AB \(www.decidas.com/om-decidas.html\)](http://www.decidas.com/om-decidas.html)

[JP Morgan \(www.jpmorgan.com/country/SE/EN/contact-us\)](http://www.jpmorgan.com/country/SE/EN/contact-us)

[Sergel \(www.sergel.se/\)](http://www.sergel.se/)

[Syna \(www.upplysningar.syna.se/\)](http://www.upplysningar.syna.se/)

[UC \(www.uc.se\)](http://www.uc.se)

U.S. websites:

[Commercial Liaison Office to the European Bank for Reconstruction and Development](#)

[Commercial Liaison Office to the World Bank](#)

[Country Limitation Schedule](#)

[Export-Import Bank of the United States](#)

[Market research section on the website of the U.S. Mission to the EU](#)

[OPIC](#)

[SBA's Office of International Trade](#)

[Trade and Development Agency](#)

[U.S. Agency for International Development](#)

Business Travel

Business Customs

In general, social and business protocol is similar between the U.S. and the Nordics. In Sweden, scheduling and planning are a way of life and punctuality is extremely important, both professionally and socially. Meetings are scheduled well in advance and begin on time, if delayed this must be promptly communicated. Sticking to the agenda and a firm handshake with all present upon arrival and departure is expected. The 24-hour clock is recommended to avoid confusion.

Swedes value quality and that is also true in regard to clothing. Conservative dress is appropriate for business appointments. Business entertaining is usually done at lunch and not dinner, and upscale restaurants expect men and women to dress well. Restaurant bills include service charges, but after an evening meal, a small gratuity is expected. Smoking is not allowed in places of business. Business cards are commonly used. Gifts are appropriate when closing transactions but not at the beginning of a business relationship.

Travel Advisory

Due to the relatively generous leave that Swedish employees are entitled to (minimum 25 days/year) and a general work life balance, it is advantageous to plan business travel to Sweden during Sept thru mid-December and mid-January thru mid-June. Many Swedes take extended vacation during July and August and some small businesses close. See below a link to Swedish bank holidays.

Sweden's crime rate is low, though violent crimes do occur. Mostly it is theft of personal property and travelers should therefore be aware of very skilled pickpockets and purse-snatchers in the vicinity of major tourist attractions.

Up-to-date travel information on Sweden and all other countries is available on the Department of State's website, see [Department of State](#) (open link in Google Chrome). On this page, see "Travel Advisories" for current information. All American visitors to Sweden are encouraged to enroll in the Smart Traveler Enrollment Program [STEP](#) (open link in Google Chrome).

Visa Requirements

Sweden is a party to the Schengen Agreement which requires visas for many foreign but not for U.S. citizens. U.S. citizens may enter Sweden for up to 90 days for tourist or business purposes with a valid U.S. passport (at least 6 months longer than your planned period of stay) without obtaining a visa. Travelers must have sufficient funds and a return airline ticket.

For visits in excess of 90 days and more information, see link to the Embassy of Sweden in Washington D.C, [Embassy of S.weden](#).

Currency

The currency of Sweden is the krona (crown), which is subdivided into 100 öre. All öre coins have been discontinued as of 2010, but goods can still be priced in öre. When paying with cash, all sums are rounded up to the nearest krona. Other currencies can be exchanged at banks and financial institutions; however steep fees and/or unfavorable exchange rates are the price for this service. Some major stores and tourist shops may accept other currencies than SEK, but it is not common.

Credit and debit cards are widely accepted both in Swedish stores and ATM's. Major credit cards such as Visa or MasterCard are accepted in most places. Diner's Club and American Express may be less acceptable due to the high service charges associated with them. ATM's - most with the English language option - are readily

available throughout Sweden but require a chip and PIN card for withdrawal of cash. Prior to departing from the U.S. travelers should ensure that their ATM/credit/debit cards allow use abroad, frequency, withdrawal limits, and the related fees.

Checks have never had a strong position in Sweden and are very rare. It is difficult to find a place that accepts or cashes travelers' checks; very few banks offer this service. Depositing a U.S. /foreign check into a Swedish bank account comes with a hefty fee. If the bank accepts the check, there will most likely also be a long delay before the check clears. Wire transfers are preferred, but require a Swedish bank account to receive the funds in.

Telecommunications/Electronics

Sweden (calling code +46) is one of the world's most connected countries. Wi-fi is always available in business hotels and often in public spaces, especially in the major cities. Sweden currently uses 3G and 4G cell phone technology. There are essentially no pay-phones available in Sweden any longer. As long as the U.S. provider (AT&T, Verizon, T-Mobile, etc.) activates the roaming function, U.S. cell phones can be used in Sweden. However, using a U.S. cellphone abroad will result in a much higher cost to the user.

Voltage in Sweden is 230 with 50 cycles (Hz), and converters are sold in many electrical/office supply stores. If an American device will work with 230 V, only an adapter to change the shape of the power plug to fit into an outlet is needed in Sweden. Swedish power sockets use the Europlug (type F).

Transportation

Sweden enjoys a modern infrastructure and all modes of transportation are very reliable, efficient, and generally timely. Sweden can be reached by air, ferry, car, and rail. There are several airlines that have direct U.S.-Sweden flights from cities such as New York, Chicago, Los Angeles, San Francisco/Oakland, Miami, and Ft Lauderdale. Flights from the U.S. arrive at Stockholm Arlanda Airport, 40 minutes north of the city of Stockholm. When taking a cab from the airport, the price should be confirmed prior to departure. There is also a high-speed train as well as bus service from Arlanda Airport to Stockholm's downtown Central Station. In cities public transportation is mainly used including trains, trams and busses. These are generally reliable with extensive routes and connections.

Sweden has right hand traffic and when driving in Sweden, seatbelts must be used, and headlights must be on, regardless of time of day or time of year. Snow tires are mandatory Dec 1-March 31. Car rentals are readily available but at prices that exceed U.S. averages.

Language

Swedish is the official language of Sweden, but an advanced level of English is generally spoken by the majority of Swedes, and often used in business.

Health

The Swedish state-run health care system is often considered a model for other countries to take after and is comparable to care found in the U.S. There are no mandatory vaccines for traveling to Sweden. The Center for Disease Control lists a few vaccines worth considering when traveling to Sweden, see website below.

In event of an emergency, the telephone number is "112".

Local Time, Business Hours and Holidays

The 24-hour clock is recommended to avoid confusion. Swedish time is UTC/GMT + 1 hr. (+2 during summer period of March 25-October 28, 2018) or U.S. Eastern Standard time plus 6 hours. Typical business hours are 8 am to 5 pm, but the hours of Swedish banks are generally shorter, 10 am to 3 pm, some days with extended hours (until 6 pm) at many branches. Most businesses are closed on Sundays. Government and many business offices close around 1 pm on the day before a major holiday. A list of Swedish bank holidays can be found here: [Swedish bank holidays 2018](#).

Temporary Entry of Materials or Personal Belongings

Both Sweden and the USA are in the ATA-carnet system, this documentation replaces the need to apply for temporary import authorization. Goods that will be temporarily imported to the EU/Sweden and re-exported in unchanged condition (such as certain professional equipment, show materials or samples), can be temporarily admitted. More information about the temporary admission of goods can be found on the website of the [Swedish Customs](#).

Information regarding bringing personal belongings to Sweden can be found on the website of [Swedish Customs](#).

Web Resources

[Centers for Disease Control and Prevention's information for Travelers to Sweden:](#)

wwwnc.cdc.gov/travel/destinations/traveler/none/sweden

[OECD Sweden Data:](#) www.data.oecd.org/sweden.htm

[Swedish Customs:](#) www.tullverket.se

[Swedish Embassies & Consulates abroad](#) www.swedenabroad.se/en/about-sweden-non-swedish-citizens/

[Swedish bank holidays 2018:](#) www.riksbank.se/en-gb/press-and-published/calendar/bank-holidays-2018/

[State Department Consular information sheet Sweden:](#)

www.travel.state.gov/content/travel/en/international-travel/International-Travel-Country-Information-Pages/Sweden.html

[US Embassy in Sweden:](#) www.se.usembassy.gov

[Visit Sweden:](#) www.visitsweden.com/