

Sweden – Press review March and April 2016

Sweden's billions going to big cities

DI reports the new Construction Sweden (Sverigebygget) campaign, launched by the alliance government in 2014 and taken over by the Red-Green government, is starting to look more like Construction Stockholm. The aim is for huge infrastructure investments to simulate at the construction of at least 100,000 new homes. Investments into rail services that the state wants to finance in the Stockholm area total around SKr 25 billion, and including Österleden this is SKr 43 billion. Investments in Gothenburg region and Skåne region total SKr 6 billion and SKr 6.5 billion respectively. “The Stockholm region is so much larger and we have looked at the potential for housing,” says Catharina Håkansson Boman, who, together with HG Wessberg is leading the negotiations on behalf of the state. (DI: 10)

Largest job gap in Europe

According to Statistics Sweden the difference in employment levels in Sweden between those born in Sweden and those born abroad was the largest in Europe in 2014. The employment rate for those aged 20 and 64 and born abroad was 67.8%, whereas for those born in Sweden it was 83.1%. (DI: 17)

Solar energy in Sweden doubles

Solar energy in Sweden doubled its electricity production in 2015, compared with 2014. However solar energy only accounts for 0.1% of the total production in Sweden. (SvD bus: 4)

Sweden pays second-highest amount

Following deductions for subsidies and benefits, residents of Sweden pay the second highest fee to the EU, according to a survey by europaportalen.se, which has found that each Swedish resident paid the equivalent of 2,600 kronor to Brussels in 2014. Residents of the Netherlands pay the most; EU membership cost the equivalent of 3,600 kronor last year. Belgium ranks third, according to the website, with each resident paying just over 2,400 kronor. (5/3 DI: 11)

Housing shortage a problem

Stockholm's housing shortage is a massive problem for Swedish growth companies, and if nothing is done to remedy the situation, many will leave Sweden, warn representatives of the industry. The most important measure in the short term is to deregulate the rental market and facilitate the rental of co-operative apartments. (5/3 DI: 6-7)

New Nordic head

Lauri Rosendahl, the former head of the Helsinki stock exchange, is to replace Magnus Billing as the CEO of Nasdaq Nordic and of the Stockholm stock exchange. (DI: 11)

Construction boom in making

The 13 municipalities that make up the Gothenburg region are planning to invest between 800 and 1,000 billion kronor in building projects in the next 20 years, according to a new report by Sweco and commissioned by Business Region Gothenburg. Investments of more than 400 billion kronor are expected in housing; Sweco has forecast that the population of the region will increase by 250,000 and will total 1.3 million by 2020, at the same time as there is a housing shortage. New roads, tunnels bridges, office premises and shops are also planned, and one of the biggest projects is that of Älvstaden, a new district of the city. (DI: 13)

Lower payroll charges

The government will as part of its spring budget propose lower payroll charges for sole proprietor businesses as of the New Year to spur more of them to employ a colleague. (DN I: 19)

Six new regional export centres

The government has charged the Agency for Economic and Regional Growth (Tillväxtverket) to set up six regional centres to help companies export their goods and services. The centres will be placed in the regions of Skåne, Västra Götaland, Kronoberg, Östergötland, Dalarna and Västerbotten. (21/3 SvD bus: 4)

Trade deficit

Foreign trade resulted in a deficit of SKr 0.2 billion in February according to preliminary statistics from Statistics Sweden. In the same period last year the surplus was SKr 2.9 billion. The value of exports totalled SKr 94.6 billion in February and imports totalled SKr 94.8 billion. Exports have increased by 1% and imports by 4%. (SvD bus: 4)

Norway strikes Saab a blow

The Saab defence group's hopes of supplying Norway with future submarines were dashed on Thursday, when Norway's Ministry of Defence said it had shortlisted Germany's Thyssen Krupp and France's DCNS as possible suppliers. Defence Minister Ine Eriksen Søreide said that a submarine cooperation with either France or Germany would ensure that Norway would get the submarines it needed, while contributing to "a more efficient armaments cooperation in NATO". The minister also made clear that Norway would be willing to cooperate with other countries in need of new submarines, namely the Netherlands and Poland. (SvD bus: 6)

Nevs' first electric car

At Nevs in Trollhättan the design of the first electric car is complete and around 25 test models have been manufactured. According to Nevs' vice chair Stefan Tilk, the model will mainly be sold in China. (9/4 DN I: 22, SvD bus: 4)

Moody's affirms Swedish triple A

The credit rating service Moody's rating for Sweden stands at AAA and Moody's announces the outlook remains stable. The recovery in the Swedish economy and high growth rate are the factors behind the rating. (11/4 DI: 7)

Nordnet to invest in start-ups

Online broker Nordnet is launching Nordnet Ventures, which will invest in technology companies in the finance sector. "We want to be more active in the startup scene for fintech," says Håkan Nyberg, CEO for Nordnet. (DI: 13)

Panama leaks rupturing Skatteverket's budget

The Panama leaks have put pressure on the Swedish Tax Agency (Skatteverket), which has already requested a further half a million kronor. Director General, Ingemar Hansson, says, "The Panama material is of such high priority that we are going to investigate it regardless of whether we get more funding or not. However if we do not get more money then other activities are at risk of being squeezed out." This week Skatteverket is participating in a meeting in Paris, led by the OECD, to discuss with other tax agencies how to access and collaborate on the tax information in the leaked Panama documents. (DI: 7)

Sweden's work praised by EU

The European Parliament agreed on Wednesday to around SKr 16.5 million of support for Sweden. The funds will help around 500 people who lost their jobs at Volvo Trucks and subcontractors when the truck manufacturer moved, mostly in Umeå, but also in Gothenburg and Eskilstuna.

According to Sören Johansson, project manager, at the Swedish Public Employment Service (Arbetsförmedlingen), the EU praised Sweden's efforts for getting employees in the industry into work. (DN I: 21)

Bid rumours boost SAS

German airline Lufthansa wants to buy shares in SAS, reports Reuters. The airlines have been discussing the expansion of Lufthansa's low price airline, Eurowings, since autumn 2015, reports DN while DI reports that rumours that Lufthansa is about to place a bid on SAS caused SAS's shares to rocket. (DN I: 21, DI: 17)

Quota targets not met

Slowly but surely the proportion of women on the boards of listed companies is increasing. However the government target of 40% by the autumn is not going to be met, which means legislation will be brought in. Annika Elias, chair of Ledarna, Sweden's organization for managers, says, "It is incomprehensible that Swedish companies cannot fix this once and for all and ensure that there is equality on company boards." According to the Allbright Foundation's summary, so far, as 214 of 282 nomination committees have submitted their proposals, there looks set to be an average of 30% of women in the boardroom. (DI: 7, SvD bus: 4)

Waning confidence in banks

The crisis in Swedbank and revelations of questionable tax planning by Nordea has cost the banks dearly in terms of falling confidence. A fresh "confidence in the banks barometer" shows that the confidence index for Nordea has slipped from 52 out of 100 at the start of the year to 32 this month, and the confidence index for Swedbank has fallen from 53 to 41. "Confidence in the banks from the general public is initially very low. This applies in particular to dimensions such as ethics, societal responsibility and transparency," says Tony Apéria, a research fellow at Stockholm University's Business School, behind the barometer. (DI: 13)

Drastic increase of online shopping

Sales of food online increased by almost 40% last year, and are expected to double over the next two years, according to Swedish Digital Trade. One reason for the upswing is that the market has matured so more players have gone online and become more focused in their marketing. (25/4 SvD bus: 8)

H&M opens largest store

Clothing giant H&M opened its largest store so far on Saturday. Bollywood star Parineeti Chopra cut the ribbon at the store in Noida outside of New Delhi. (DI: 6)

Ericsson drives driverless bus

This week an unmanned white, electric minibus will be driving around Kista. Telecom company Ericsson, with CEO Hans Vestberg, wants to show that it is possible to drive a driverless bus using the coming 5G technology. (DI: 7)

Astra analysing 2 million DNA genomes

Astra Zeneca is launching a huge investment to map people's genomes in order to develop new drugs. The ten year project is in collaboration with USA based Human Longevity Inc. (23/4 SvD bus: 4)

Trojan attacks on the rise

Attacks on companies using Trojans and with the purpose of extortion are becoming more common, reports Sveriges Radio's Ekot. A Trojan can be hidden in an attachment to an email. Anne-Marie Löwinder, head of security at the Internet Foundation of Sweden says it is becoming relatively

commonplace and is increasing “exponentially”. (DN I: 19)

E.ON and Statoil to build wind farm

The energy group E.ON and the oil company Statoil are to invest 1.2 billion euros, approximately SKr 11 billion, jointly in the construction of a wind farm off the coast of Germany in the Baltic Sea. The farm, which is called Arkona, will be completed by 2019 and produce electricity for 400,000 households. (DI: 5, DN I: 19, SvD bus: 4)

Loss-making SSAB makes right issues

Steel group SSAB’s board has announced a rights issue of around five billion kronor. The group made losses of SKr 344 million before tax in Q1, compared to profits of SKr 350 million in Q1 last year. Sales fell from SKr 15.5 billion to SKr 13 billion in line with expectations. (23/4 SvD bus: 9, DI: 8)

Wolf back at Chamber of Commerce

Fired Swedbank CEO Michael Wolf is back as chair of the Stockholm Chamber of Commerce. When he was fired from Swedbank and reported to the police for insider trading he took, on his own initiative, a break from his position. Last week charges were dropped and Wolf writes on the Chamber’s website, “I am now looking forward getting back to engaging in the work of the Chamber of Commerce and improving the Stockholm-Uppsala Region.” (23/4 DN I: 32)

Minister calls major banks to meeting

Finance Minister Magdalena Andersson has called in the Swedish Bankers’ Association to discuss, along with Minister for Financial Markets Per Bolund, the banks’ stance on assisting customers with tax planning. “Issues about tax planning and tax evasion must be taken up at board level in the banks,” says Magdalena Andersson. The call follows reports that New York’s Department of Financial Services is investigating Sweden’s four major banks in connection with the Panama papers, which Magdalena Andersson welcomes. (SvD bus: 4, DI: 6)