



BUSINESS CLIMATE SURVEY NORWAY 2024

A REPORT FROM TEAM SWEDEN

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FOREWORD

The Nordic region is highly important to Swedish business, representing about 25 per cent of Sweden's total exports of goods and services. Together, the Nordic countries constitute the world's 12th largest economy. It serves as an extended home market with high purchasing power, leading innovation, companies of global competitiveness, political security, and close historic and cultural ties. There is a joint vision to become the world's most integrated region by 2030 and during 2024 Sweden holds the Presidency of the Nordic Council of Ministers. From 2024, Sweden and Finland are members of NATO.

Norway is one of Sweden's most important business partners with highly interconnected economies. Forty-five per cent of the Norwegian population live within 2,5 hours from Sweden. Norway represents 9,2 per cent of total Swedish export of goods and services (2023), making it the third largest export market after the US and Germany. With about 2 600 Swedish subsidiaries and almost 87 000 employees, Swedish-owned companies are the main foreign employer and the second largest investor in Norway. Norwegians account for the most foreign guest nights in Sweden. Still, there is potential for increased business collaboration.

Sweden and Norway have complementary strengths. While Sweden has expertise in sectors such as manufacturing, automotive, engineering, technology and entrepreneurship, Norway is a frontrunner within the maritime sector, offshore technology, process industry and renewable energy. The interplay between renewable energy for sustainable industries, adding strengths in innovation, gives a competitive edge to Swedish-Norwegian business globally. Joint business opportunities are found in, for example, battery technology, offshore wind, hydrogen, semi-conductors, fossil free metals, biomaterials, circular consumer products, construction, and electrification. Together, Norway and Sweden, and the Nordics, can enable secure and green value chains globally.

The Business Climate Survey Norway is hereby published for the second time. It is a part of the global Business Climate Survey by Business Sweden, the Swedish Chambers of Commerce, and Sweden's embassies and consulates. The purpose of the local report is to increase insights of the Norwegian business climate from a Swedish company perspective. In addition, it may serve as a reference in bilateral trade dialogues between Sweden and Norway.

In short, the Business Climate Survey of 2024 reveals that the majority (86 per cent) of the responding Swedish companies are confident in Norway's business climate. Equal numbers of respondents report a profitable 2023 for business and expecting growth in 2024 (65 per cent). Results differ across industries. Deeper interviews underline the importance to stay close to market to adapt. Overall, most Swedish businesses in Norway are SMEs or MNEs with smaller operations, focusing on sales, making partnerships, cost efficiency and sales competence crucial for successful business. Partnerships in Norway can be a starting point for global business. Results confirm the need to further eliminate border barriers and promoting mobility within the Nordics.

Thank you to all of you who took the time to participate in the survey and contributed your thoughts and experience. We have also taken the opportunity in this report to give an overview of our efforts in promoting increased bilateral business collaboration. We all look forward to continuing supporting the trade and business development between Sweden and Norway, bilaterally, in the Nordics and on global markets.



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2 600**Swedish-owned companies/entities
active in Norway****Current business climate****86%**

of Swedish companies
perceive the business climate
as neutral or good/very good

Industry turnover**62%**

of Swedish companies
expect their industry turnover
to increase

Future investments**37%**

of Swedish companies plan to
increase their investments
slightly or significantly in the
next 12 months

Success factors in Norway

- Partnerships/relationships
- Cost efficiency
- Sales competence

Brand Sweden**65%**

of Swedish companies abroad consider
Brand Sweden beneficial for business

**Highest valued local conditions that meet
business needs**

1. Personal safety
2. Distributors
3. Transparency / equal treatment

Largest perceived trade barriers

1. Customers duties
2. Customs procedures
3. Regulations

**Environmental
considerations****76%**

of respondents believe the
environment is a considerable
factor in their customers'
purchasing decisions

Financial performance**65%**

of Swedish companies
reported a financially
profitable past year

Corruption**0%**

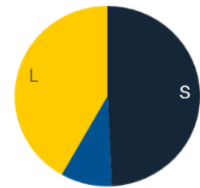
No known experience of
corruption

ABOUT THE SURVEY

A Team Sweden collaboration

The Business Climate Survey is a joint global project by Business Sweden, the Swedish Chambers of Commerce (SCI), and Sweden's embassies and consulates on markets in Europe, Asia, Middle East, Africa and the Americas. The survey was first carried out in 2020 and captures the viewpoints, experiences, and insights of Swedish business leaders overseas. In Norway, the survey of 2024 is the second one ever, first year being 2020. This survey was conducted by Business Sweden in close collaboration with the Embassy of Sweden in Norway and the Norwegian-Swedish Chamber of Commerce and carried out between February and March. The report provides insights about the economic outlook in Norway, including key facts about the market and success factors for Swedish companies in Norway. Included in the report is an overview of the promotion activities of Team Sweden in Norway.

SIZE OF COMPANIES

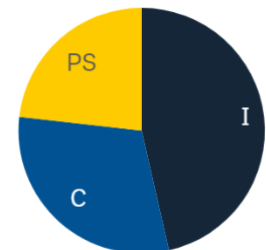


NOTE: Small: 0-249, Medium 250-1000, Large: >1000

Sample size, definitions, and limitations

In total, c-level representatives of 68 Swedish companies in Norway (or having a substantial part of its trade with Norway) responded to the survey and answered 18 standard questions on the business climate in their main markets. Over 330 Swedish companies of the 2 600 entities in Norway were given the opportunity to participate. Around 42 per cent of respondents were large companies, nine per cent medium-sized companies and 49 per cent small companies. Forty-six per cent of the respondents were from the industrial sector, 23 per cent from the professional services sector and 30 per cent from the consumer product sector. Thirty-six per cent of the companies are mature (established before 2002); 40 per cent are experienced (established 2003 - 2018), and 24 per cent newcomers (established from 2019 onwards). The questions in this survey have been synchronised with Business Climate Surveys carried out in other markets around the world to enable comparability where relevant.

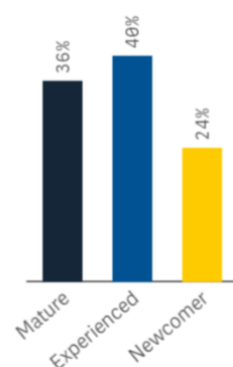
MAIN INDUSTRY



NOTE: Professional Services: 23%, Consumer: 30%, Industrial: 46%

It should be noted that the size and industry composition of the respondents are not representative of the overall Norwegian business landscape. Any of the statistics presented in this report are solely indicative of the specific respondents' experience in and with Norway.

AGE OF COMPANIES



NOTE: Mature (–2002). Experienced (2003–2018). Newcomer (2019–)

Sources

The main source of information for this report is the Business Climate Survey itself. In addition, information has been obtained from official sources, e.g. Statistics Norway, Statistics Sweden, the World Bank, the Confederation of Norwegian Enterprise, Menon Economics, International Energy Agency, Bisnode, Business Sweden, official statements from the largest banks in Norway, information from the Norwegian Government, the Norwegian state budgets, and the International Trade Administration. Furthermore, Business Sweden has conducted several interviews with Swedish companies established in Norway.

ECONOMIC OUTLOOK

Norwegian economy shows near-term slowdown followed by gradual recovery from 2025

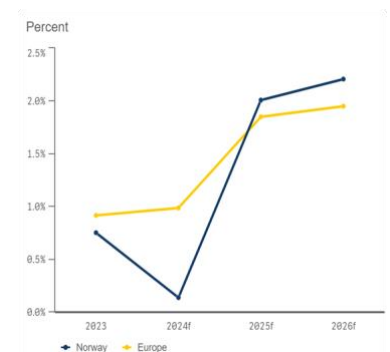
The oil and gas industry is Norway's largest industry in terms of value-added, government revenue and exports. It accounts for around 14 per cent of GDP, 36 per cent of state revenues, and 52 per cent of total exports as of 2021-2023. Revenues from oil and gas exports are accumulated in the Norwegian sovereign wealth fund, with a market value of over 17 500 billion NOK as of May 2024. Each year, the government spends up to three per cent of the projected value of the fund in the state budget, illustrating its importance for the Norwegian economy.

Overall, the Norwegian economy, similar to other Western economies, is experiencing a stagnation in its mainland economy. Mainland GDP growth is projected to slow to 0,5 per cent in 2024, which is impacted by high inflation, monetary policy tightening, and weaker domestic demand as rising costs weigh on private consumption and housing investment. Export growth is also expected weaker. Consumer prices increases are at levels not seen since the 1980s. In 2023, the annual growth in the consumer price index (CPI) was 5,5 per cent, although down from its peak at 7,5 per cent in October 2022. Interest rates have gone from a record low of 0 per cent during the Covid-19 pandemic in 2020 to 4,5 per cent in March 2024, a level not seen since 2008. From 2015 to 2023 there has been limited real wage growth. Even though Norway has one of the lowest unemployment rates in Europe, it has increased through 2023 and was 3,9 per cent in January 2024.

Despite these headwinds, the outlook points to a gradual recovery from 2025 onwards, supported by stronger domestic demand and continued fiscal support. GDP growth is set to increase to 1,3 per cent in 2025, supported by moderate interest rate cuts coupled with good profitability in the manufacturing sector and a tighter labour market. Private consumption is expected to rebound as inflation subsides, employment stays resilient and real wage growth improves purchasing power. Higher public spending is anticipated to support mainland GDP growth over the medium term. Experts highlight challenges like persistent currency weakness, slow economic growth with wide differences across industries and moderate but still elevated inflation.

On the strong side, the Norwegian economy has proved to be robust over the years, largely because the business sector has been flexible and able to adapt and as Norway's substantial oil and gas revenues are managed to the benefit of society. Norway has comparative advantages in industries like oil, gas, seafood, and energy-intensive manufacturing, which are among the main export commodities. Norway has a climate of trust and cooperation, with an emphasis on equality. This is an important asset in developing innovative solutions. The population is highly educated, with a strong focus on STEM fields (science, technology, engineering, and mathematics).

PROJECTED GDP GROWTH IN NORWAY



NOTE: Constant prices
SOURCE: Oxford Economics, GDP, constant prices and exchange rate, US\$, Last update: 12 March 2024

A profitable 2023 was reported by 65 per cent of responding Swedish companies

Despite current market challenges, most survey respondents reported profitable financial performances in 2023. It is foremost mature companies who report being profitable, to an extent of 92 per cent. Several of the companies highlight the uneven spread across industries for the overall economic current situation. Industry companies are to an 85 per cent extent reporting a profitable 2023, showing a stable economy. However, for consumer goods, the results were more spread out, with 59 per cent reporting profitability, compared to 24 per cent reporting break-even and 12 per cent reporting a loss. When discussing with retail companies, the weaker domestic demand shows through. Several actors report a need to adapt, with restraining some parts of business, at the same time as investing heavily in others. Among professional service companies the evaluations of 2023 is spread among 38 per cent profitable, 31 per cent break-even and 23 per cent loss.

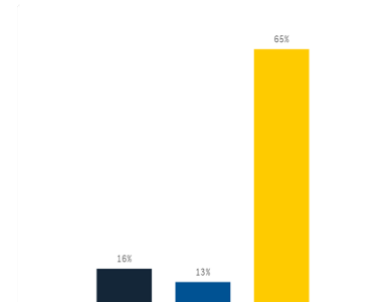
Looking ahead, most Swedish companies' respondents foresee a positive turnover growth for the coming 12 months, aligned with evaluations of 2023. 62 per cent of the respondents expect their industry's turnover to increase either significantly or slightly, while only 10 per cent expect a decrease. Professional service companies expect the main turnaround, from 38 per cent reporting a profitable 2023, to 69 per cent expecting growth in 2024. As industrial companies stay on high levels, with 73 per cent expecting growth in 2024, consumer goods companies are less optimistic. After 59 per cent having a profitable 2023 only 47 per cent believe turnover will increase in the next 12 months.

Swedish companies plan for unchanged or increased investments for 2024

A majority of company respondents believe that investments will remain unchanged (40 per cent) or increase (37 per cent), while 21 per cent reported that investments will be slightly or significantly reduced. No respondents reported plans to leave the market. Comparing across company size, a vast majority (85 per cent) of medium sized organisations believe their investments will remain unchanged in the next 12 months. It is further interesting to note that newcomer organisations are more optimistic than experienced and mature companies towards investing in their Norwegian businesses in the coming 12 months. From dialogues with Small Medium sized Enterprises (SME) companies, Norway remains a target market for new business. The growing Norwegian venture capital ecosystem for Startups and Scaleups is said to have grown robust. This part of the business in Norway is often mentioned as an interesting arena for deepened partnerships.

From an industry perspective, industrial companies are the most optimistic overall, with 92 per cent reporting unchanged or increased investment plans, followed by professional services (77 per cent) and consumer goods (66 per cent) companies.

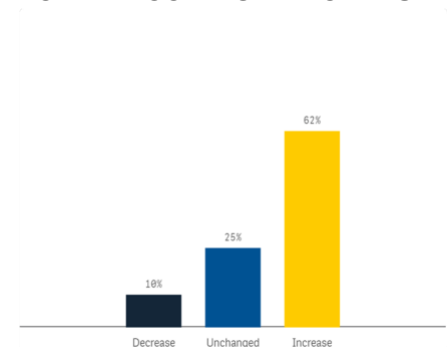
RESPONDANTS FINANCIAL PERFORMANCE IN NORWAY IN 2023



NOTE: The number of respondents for this question was 68. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

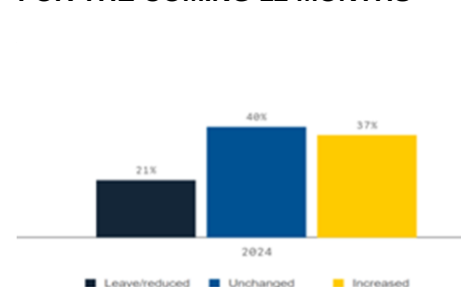
TURNOVER EXPECTATIONS FOR THE COMING 12 MONTHS



NOTE: The number of respondents for this question was 68. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

EXPECTED INVESTMENT PLANS FOR THE COMING 12 MONTHS



NOTE: The number of respondents for this question was 68. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

THE MARKET

Norway has significant market opportunities within key green value chains

Norway has taken an active decision to diversify its economy towards a greener direction, in line with European Union directives. Emissions are to be cut by at least 50 per cent by 2030 to become a low-emission society by 2050. The transition is mapped in several government initiatives, including the *Climate Action Plan for 2021–2030* and *Roadmap 2.0: The Green Industrial Initiative*. The roadmap highlights seven priority sectors for green growth: offshore wind, hydrogen, batteries, maritime industry, CO₂ management, bioeconomy, the process industry, manufacturing, and solar industry. In addition, the following industries are also highlighted as opportunity industries: industrial software, consumer platforms, circularity, aquaculture, and tourism. All these industries are within green value chains and hold business opportunities for Swedish companies working with Norway.

From a trade perspective, Norway is an open and trade-dependent economy with high amounts of natural resources. Today, Norway is one of the largest oil and gas producers in Europe and exports are record high. Of the export value of goods and service of 2 400 billion NOK in 2023, 49 per cent was oil and gas. Overall, it was a decrease of about 24 percentage points from the record year 2022, when oil and gas accounted for about 73 per cent of exports at value levels never seen before. As 2022 exports of oil and gas was driven by the aggressive war in the Ukraine, and countries wanting to diversify their energy sourcing, the decrease in 2023 was primarily driven by lower gas prices. Excluding oil and gas, exports of goods and services reached 1,225 billion NOK in 2023, which is the highest level ever. Increased prices and a weaker Norwegian currency is said to account for half of the growth, while increased sales volumes give the explain the rest. The strongest export industry except oil and gas is the maritime sector (230 billion NOK), also contributing the most to Norwegian service exports. Norway has one of the most modern merchant shipping fleets, which is the 4th largest by value globally. 190 billion NOK was accounted for by energy intensive industry 's, such as fertilisers and aluminium. Due to high raw material prices these industries saw a slight decline in export value. The seafood industry reached an all-time high export of 165 billion NOK, driven by increased prices for seafood.

The decision to diversify its economy is closely linked with the need of other industries to prosper and taking over the lead from oil and gas in the long run. The concern of the Norwegian industry is not the recordings of all time high sales, but rather the low level of exports as percentage of GDP in comparison with other countries. The EU average is 53 per cent, in comparison to Sweden with 54 per cent and Denmark with 68 per cent. For Norway this number is 47 per cent, including oil and gas. Without oil and gas, it is 37 per cent. In the *Export Report 2024* by Menon Economics, this is highlighted, in addition to how dependent Norwegian exports are on the oil and gas sector. Furthermore, Menon Economics estimate that one in five jobs in Norway relate to exports (630 000 jobs). The conclusion is that, although on low levels now, Norway does have significant market opportunities within key green value chains in Europe, such as offshore wind, solar energy, onshore wind, hydropower, bioenergy, and hydrogen. The key is to prioritise to leverage these opportunities, across businesses, organisations, and the public support system.

As global business partners Norwegian companies are competitive on the global stage. Several Norwegian firms ranking among the world's largest and most prestigious in their respective sectors, e.g. Equinor, Aker BP, Yara, Hydro, and Mowi. Norway is not a member of the EU but is linked to the EU through the European Economic Area (EEA) agreement, giving it access to the EU's single market. This position allows Norway to participate in EU initiatives such as the Horizon Europe research and innovation programme. Norway is a founding member of NATO.

In terms of imports, Norway imported a total of 1 023 billion NOK for 2023, with the most-frequently imported goods being cars, trucks and industrial machinery. Norway imports most of its goods from Germany, China, and Sweden. In 2022, there was 1 542 billion NOK worth of foreign direct investments to Norway, with the largest investment coming from the US (17 per cent), followed by Sweden (13 per cent), Finland, and the UK (eight per cent each).

Norway is an attractive market for companies to enter. It ranks ninth globally on the World Bank's Ease of Doing Business index for 2019. Norway has a high standard of living. It has a population of 5,5 million and ranks the fifth highest for income per capita in the world. The welfare state provides comprehensive social benefits, including universal healthcare and free education. The country has a highly skilled workforce and a strong focus on innovation, research and development.

Norway is one of Sweden's main business partners

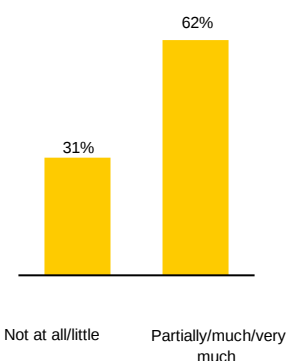
Norway is one of Sweden's closest neighbours and most important trade partners. The countries share strong economic and historical ties, with common business culture, values, and political stability. As a result, many Swedish companies choose to expand to Norway as the first step of their international expansion. The industry structure of Norwegian and Swedish economies are very different. Dominating Norwegian exports in 2021 were oil and gas (47 per cent), the service sector (19 per cent) including transport and ICT, and agriculture and fishery (eight per cent). In Sweden however, the service sector (30 per cent) including ICT, transport and tourism dominate together with machinery (13 per cent) and agriculture (12 per cent) and chemicals (11 per cent). Swedish food exports are heavily influenced by fish imported from Norway, processed in Sweden and then sold again within the EU.

Norway accounts for approximately 9,2 per cent of Sweden's total exports of goods and services of 3 438 billion SEK, making it Sweden's third largest export partner after the US (10,4 per cent) and Germany (9,3 per cent) in 2023. In 2023 this was equivalent to 299 billion SEK. The foremost goods exported are refined petroleum, telecom products, electricity, home appliances, vehicles, other manufactured goods, metal products and industrial machines.

There are around 2 600 Swedish subsidiaries in Norway with a total 2022 turnover of about 390 billion NOK and over 87 000 employees. This makes Swedish-owned companies the main foreign employer in Norway, with 25 per cent of all employees in foreign companies, before the US. The largest Swedish companies in Norway operate within telecom (Telia), oil and gas services (Preem), construction (Skanska and Hent), wholesale of wood and construction material (Optimera), automotive sales and repair (Volvo, Scania, and Bilia), wholesale of hardware and equipment (Ahlseil), and hotels (Scandic). Norway is the main country of origin of foreign controlled enterprises in Sweden with 16 percentage, or 2089 subsidiaries. It counts as the fifth largest foreign investor after the Netherlands, Luxemburg, UK and Germany. The Norwegian Government Pension Fund Global has ownership in about 9 000 companies in 72 countries worldwide. It is the largest single owner in the world's stock market, holding, on average, 1,5 per cent of all listed companies globally. The fund invests only abroad so that the Norwegian economy does not overheat. The fund has 170 investments in Sweden, with a total value of 226 billion NOK. This represents about 1,4 per cent of the total market value of over 17 500 billion NOK as of May 2024.

Opportunities for business collaboration between Sweden and Norway goes beyond Scandinavia. Norway is often described as a second home market for Swedish companies, as Norway is seen as an important steppingstone to international expansion – this seen in the survey results. When asked to what extent business in Norway is important for global expansion, most Swedish companies (62 per cent) responded favourably, while 31 per cent perceived it to have little or no importance.

EXTENT OF BUSINESS IN NORWAY BEING IMPORTANT FOR FURTHER GLOBAL EXPANSION



NOTE: The number of respondents for this question was 68. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

Cross-border investments and strategic collaborations are increasing in new industries

Numerous investments and strategic collaborations have been undertaken across the border to strengthen value chains. Below are examples, and do not represent an exhaustive or prioritised list of ongoing partnerships. Within the battery value chain, Hydrovolt was established as a joint venture in 2020 between Norwegian Hydro and Swedish Northvolt. Business focus is to become a sustainable battery recycling and raw materials company. In 2021, Volvo Penta became the majority shareholder of Norwegian marine battery and electric driveline solutions supplier ZEM AS. In November 2022, LKAB became the main owner in REEtec AS, with focus on building a strong Nordic industry for rare earth elements. In 2024, Morrow Batteries and Stena Recycling entered into an agreement regarding battery production scrap. Within electrification Green Flyway is a Interreg Sweden-Norway program aimed at creating an international test arena for electric aviation, drones, and autonomous air traffic. Swedish Heart Aerospace, was founded in 2019 inspired by the Norwegian goal to electrify domestic flights until 2040. One example of Swedish-Norwegian partnerships is Hydro and Volvo Group, who at COP28 in 2023 announced a strategic partnership, to deliver net zero vehicles.

Within offshore wind, Vattenfall and Seagust (by Arendals Fossekompani and Ferd) joined forces in February 2022 to bid for offshore wind areas in Norwegian waters. In October 2023, Norwegian Statkraft acquired two Swedish wind developers, Njordr Offshore Wind and Svevind Nordic. In March 2024, Hydro Rein announced to acquire 80 per cent of the portfolio of the Swedish renewable energy developer IOWN Energy (IOWN). In 2024, Sweden's Freja Offshore, a joint venture between Swedish Hexicon and Norwegian Mainstream Renewable Power, teamed up with the Norwegian aquaculture company Subfarm to develop fish farming inside an offshore wind farm.

Hydrogen and Carbon Capture Storage are future industries in both Sweden and Norway. In January 2024, Airbus, Avinor, SAS, Swedavia and Vattenfall signed a Memorandum of Understanding to investigate the feasibility of a hydrogen infrastructure at airports in Sweden and Norway. This as the countries have demanding regions for aviation and potential for hydrogen production. Earlier on, in March 2022, a partnership was set up to grasp opportunities in realising the carbon capture project at Klemetsrud in Oslo. The industrial joint venture of Norwegian Hafslund Eco and HitecVision, together with Swedish Infranode, entered an agreement to acquire Fortum Oslo Varme. A project within the ambitious climate goals of Oslo to reduce emissions by 95 per cent by 2030.

Within bio economics, Paper Province signed a cooperation agreement in May 2022 with the two Norwegian clusters Norwegian Wood Cluster and WoodWorks! Cluster. The focus is the forestry industry, industrial wood construction, and innovations from the forest. One new project within this industry is the 100 meters tall wooden building, with 240 hotel rooms, that is to be built entirely of wood in Karlstad, Sweden. The Norwegian hotel builder AB Invest is investing in a design by Wingårdhs. One of the larger investors in Norway, the family-owned investment company Ferd, has its primarily investments outside of Norway in Sweden. Examples are XL Bygg, BHG, Mindmore, Boozt and Pale Blue Dot. The ambition is to systematically increase investments. Among other things, Ferd holds a chair at the Advisory Board for Center for Family Enterprise at Stockholm School of Economics.

Ahead of the Norway Life Science conference in 2024, the Swedish pharmaceutical company AstraZeneca, Oslo Cancer Cluster, and Oslo Science City announced its collaboration aiming to strengthen the Nordic health industry. Focus is to facilitate closer collaboration between researchers, startups, and pharmaceutical companies. Earlier, in May 2022, a MoU was signed between the University of Oslo and the Karolinska Institute to improve research within the field of cancer.

45 per cent of the Norwegian population live within 2,5 hours from Sweden. In 2022, Norwegian cross-border trade in Sweden was worth over 10 billion SEK, yet to reach pre-pandemic levels of around 15 billion SEK. Of all foreign guest nights in Sweden, Norwegians account for the most of them, about 3,5 million, which makes Norway the foremost country of origin within Swedish tourism.

Investments in R&D have different structures

The R&D expenditure per country is higher in Sweden (23 billion USD in 2022) than in Norway (9,8 billion USD), with Sweden accounting for 41 per cent of all R&D expenditure in the Nordics. In Sweden, this level has been growing over time from around 13 billion USD in 2011, in comparison to a lower growth in Norway, having increased from around five billion USD in 2011. R&D expenditure as a share of R&D has been on equal levels in Sweden, about 3,4 per cent, as levels have decreased in Norway since 2020 to 1,56 per cent in 2022. The most significant difference between Sweden and Norway is however expenditure by sector. In 2022, the Business enterprise sector accounted for 74 per cent of R&D expenditure in Sweden, while the corresponding share in Norway was 55 per cent.

This difference corresponds to a certain extent to the ownership structure on the respective Stock Exchange. In Oslo, at the end of 2021, The Norwegian State had a direct ownership of 22 per cent. This equalled 70 companies and accounted for 844 billion NOK. In relative terms, it is more extensive than many other Western countries. In Sweden, the State's enterprise portfolio consisted of 43 enterprises at the end of 2022, The Swedish state is a shareholder in 45 wholly and partly owned companies, two of which are listed. The total value of the Swedish state's portfolio is approximately 850 billion SEK.

Foreign investors held 41 per cent of the market value of the Oslo Stock Exchange at the end of 2021. In Sweden, it was about the same, and foreign shareholders comprised the largest shareholder group of the Swedish stock market in 2021, with 40 per cent of the total value.

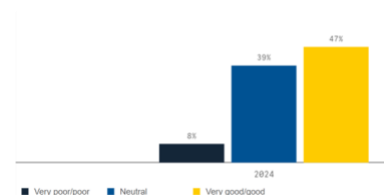
Majority of respondents are confident in Norway's business climate

47 per cent of respondents view the Norwegian business climate as good or very good, and 39 per cent of the respondents indicate a neutral business climate. This is to be seen as confidence in Norway as a business partner. In comparison to 2020, this is slightly better, when 45 per cent found the business climate good or very good, and 34 per cent neutral.

The survey of 2024 results indicate optimism across all company sizes (small, medium, and large) where large companies have the highest trust in the Norwegian business climate, with 54 per cent responding good or very good. From an industry perspective, more than half (68 per cent) of industrial companies believe that the current business climate is good or very good, while most respondents from professional services and consumer goods companies had a neutral perception (62 per cent and 47 per cent respectively). It is worth noting that experienced consumer goods companies were the only companies that believed that the current business climate was very poor or poor (18 per cent). Norway is a preferable country to do business with and in. Despite challenges in several parts of the economy, Norway is still doing well. The market is considered as a market for long-term business, with relatively high political stability, high purchasing power, smart investments in global megatrends and future needs and a trust-based relationship among key market stakeholders.

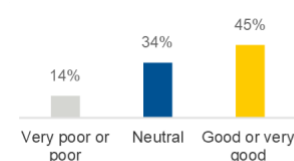
There are foremost two examples of ongoing debates in Norway, noted by Swedish subsidiaries. One is about the salmon tax introduced in 2023. The industry responded with significant opposition and held investments. The tax was an issue in the local elections, especially in coastal communities. Another one is about the Government suggested *exit tax* (imposed on a taxpayer who moves out of Norway for unrealised gains on shares). The Norwegian industry and startup ecosystem have expressed significant concerns and opposition.

PERCEPTION OF BUSINESS CLIMATE IN NORWAY 2024



NOTE: The number of respondents for this question was 66. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

PERCEPTION OF BUSINESS CLIMATE IN NORWAY 2020



NOTE: The number of respondents for this question was 74. "Don't know/Not applicable" responses are included but not shown in figure.

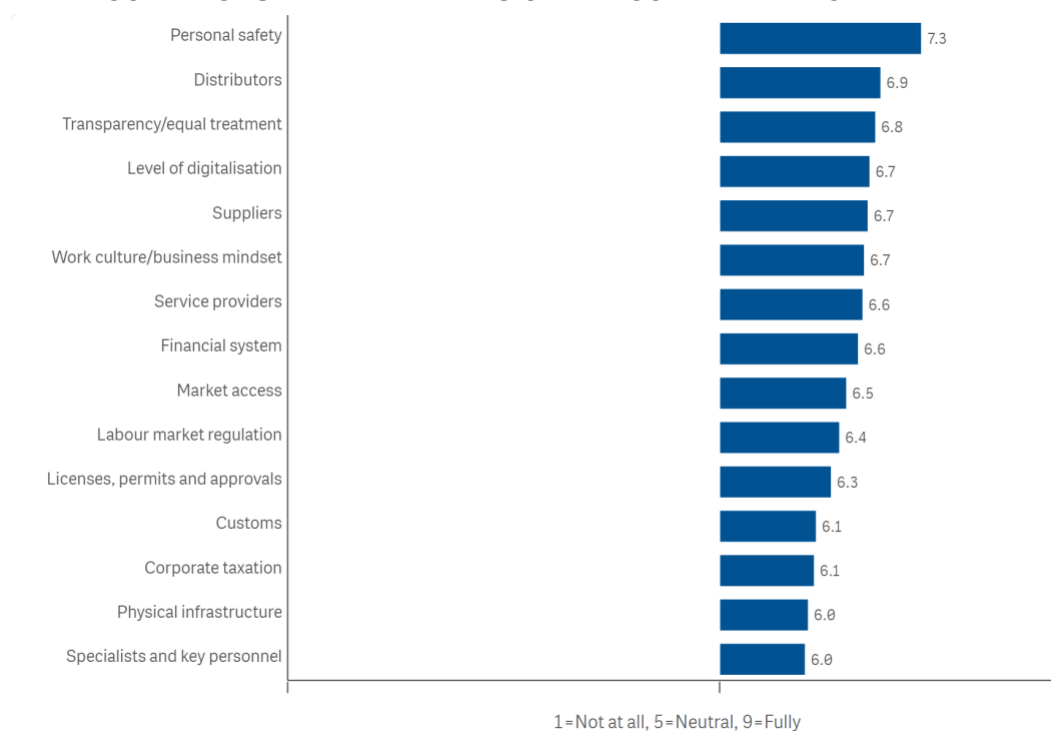
Market prerequisites are favourable

The Norwegian market has a business environment that is conducive to success. Swedish company respondents believe that Norway more than satisfies their needs, as respondents answered above 5 (neutral) across the 15 different factors, ranging from regulatory requirements, market conditions, to business operational needs. On average, respondents gave the highest score to personal safety, access to distributors on the market, and transparency and equal treatment.

In dialogue with Swedish companies there is a general satisfaction with doing business in Norway. As an export market local knowledge, network, engagement, and recognition is needed just as much as on any other export market for Swedish companies. Norway is, however, a market close by, sharing with Sweden, if not the same, then similar language, consumer behaviour, curiosity for innovations and ease of doing business. Swedish companies enjoy being active in Norway. Highlights noted are the investments in electrification, by the Norwegian businesses and by the Norwegian Government. It has given Norway a key position for Swedish MNEs to deepen its interest in partnerships for innovations across industries influenced by the electrification. Furthermore, the willingness from Norwegian industry and R&D to collaborate on a bilateral as well as Nordic and EU level is considered very positive.

On the lower end of the scale the respondents give a score of 6 to physical infrastructure. In dialogue with Swedish companies across industries, type or size of companies, the state of the physical railroad infrastructure is mentioned with a need for increased efficiency of travel times, travel timetable, travel speed, handling of goods, signal systems, train passings, connections with other transport modes and so on.

LEVEL CONDITIONS MEET THE NEEDS OF THE COMPANY IN NORWAY



NOTE: The number of respondents for this question was 68.

SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

Customs and regulations: the main trade barriers

By the European Commission, a trade barrier refers to any regulation or policy that restricts international trade, especially tariffs, quotas, licences etc. A trade barrier can also be a perceived trade barrier, being something that impacts trade negatively without being a regulation or policy.

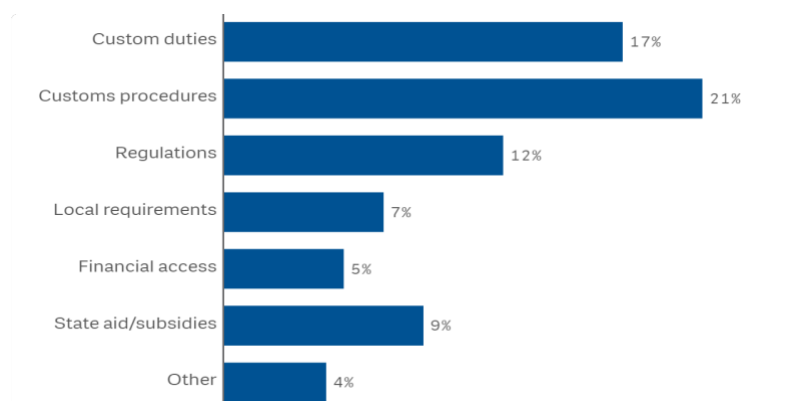
The Nordic Council of Ministers has set the aim to become the world's most integrated region by 2030. During 2024 Sweden holds Presidency, prioritising the elimination of border barriers and promoting mobility and integration. The Nordic Freedom of Movement Council, under the umbrella of the Nordic Council of Ministers, exists to improve cross-border mobility for both businesses and individuals in the Nordic Region. An important part of this work is to create a flexible Nordic labour market with as few bureaucratic obstacles as possible for both employers and employees. A simpler Nordic tax treaty is high on list of priorities for 2024. Nordic co-operation on national registration systems, digitalisation, pension issues and cross-border statistics as other priorities.

In Sweden, the Swedish National Board of Trade is the Swedish government agency with the mission to facilitate free and open trade with transparent rules as well as free movement in the EU internal market. It is to the National Board of Trade that Swedish companies report all issues with trade barriers. Through these reported trade barriers and conversations with various stakeholders, the Swedish National Board of Trade has identified six focus areas for the trade between Norway and Sweden: 1) custom processes, 2) VAT rules, 3) custom duties, 4) national rules and technical regulations, 5) free movement of people and 6) e-commerce. Coordination between Swedish and Norwegian authorities on social security issues can be improved, and the same applies to tax rules. Harmonisation of rules and technical regulations is not always the most obvious path to simplified trade, but it can have a major impact and result in a more efficient construction and sustainable transportation. Examples are differences in building regulations or harmonising of truck norms.

The most common trade barriers identified by the respondents of this Business Climate Survey were related to customs and regulations: customs procedures (21 per cent), customs duties (17 per cent), and regulations (12 per cent). This makes up half of all the trade barriers in Norway that have a noticeably negative impact on operations. When companies were asked to elaborate, high transportation costs and Norway's own customs duties and codes (due to not being a member of the EU) were noted. In addition, Norway not being part of the EU's Carbon Border Adjustment Mechanism (CBAM, a tool to put a fair price on the carbon emitted during the production of carbon intensive goods that are entering the EU) was reported. Through additional dialogues with Swedish companies, there is an indication that a substantial number of companies operating in Norway have faced significant obstacles in areas like tariffs, customs clearance, and legal/regulatory compliance.

To support, Swedish and Norwegian authorities, founded *Grensetjänsten*, with the task to process inquiries from individuals and companies that have some form of cross-border employment.

ENCOUNTER OF TRADE BARRIERS WITH A NOTICEABLY NEGATIVE IMPACT ON OPERATIONS



NOTE: The number of respondents for this question was 68.

SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

HOW SWEDISH COMPANIES SUCCEED IN NORWAY

Local operations are focused on sales

Almost 50 per cent of the respondents are SME companies. For many Swedish SMEs, Norway is considered as a starting market that enables growth, key learnings, and eventually becoming an extended home market with strategic customers and partnerships. Norway is, however, also a business partner for large companies with either significant or smaller business on site in Norway. About 35 per cent of the respondents are Multinational Enterprises (MNE), but only seven per cent of all respondents have more than 1 000 employees in Norway. To a certain extent this corresponds to reality, as most of the 2 600 Swedish companies in Norway are SMEs and very few have more than 1 000 employees. The main industries represented in the survey were retail/wholesale, industrial, equipment, and construction/building, which aligns well with reality and illustrates a diversified view of respondents.

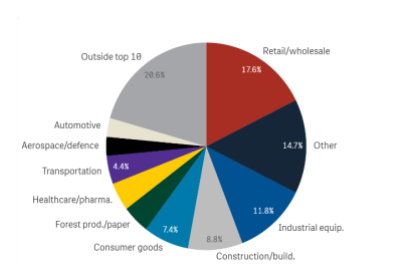
The prime market activities by the respondents are marketing and sales, after sales support and provision of services. Only 10 per cent of respondents have reported that they conduct manufacturing, assembly, or R&D activities in Norway. The survey results indicate the importance of a local presence in Norway, as marketing, sales, support, and service roles are in place to serve its current or potential clients. The survey results correspond with the reality presented in dialogue with Swedish companies, where having local sales personnel is lifted as positive.

Competitiveness driven by local partnerships and cost efficiency

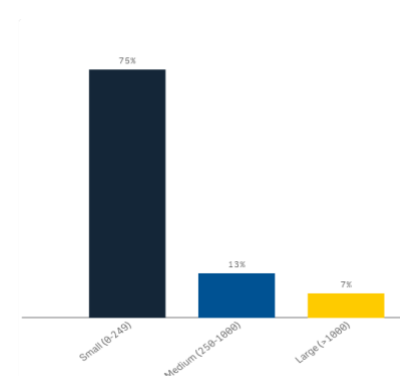
Key factors for success in Norway are stated by the respondents to be partnerships (38 per cent), cost efficiency (37 per cent) and sales competence (35 per cent). Having a Norwegian organisation number is usually a requirement for conducting business in Norway. All products crossing the border into Norway are naturally subject to customs. Product categories subject to customs duties are primarily food and agriculture and textiles and clothing. The importing party is responsible for import fees. This means that to import on behalf of your customer, a Norwegian organisation number is required. Selling online and marketing towards Norwegian consumers is regarded as conducting business in Norway and subject to VAT. VAT registration is required once you have sold vatatable goods and services for more than NOK 50 000, and the registration requires a Norwegian organisational number. Smaller limited companies and branches are normally not required to have an auditor.

A key component of business partnerships and relationships is culture. Despite being close neighbours with a shared history, similar languages and cultures, and societies based on the Nordic model, many companies highlight the often-unexpected differences in business culture between Norway and Sweden. In dialogue with Swedish and Norwegian companies the Swedish business culture is described as more structured and consensus oriented. The Norwegian business culture rather highlights flexibility and faster decision-making.

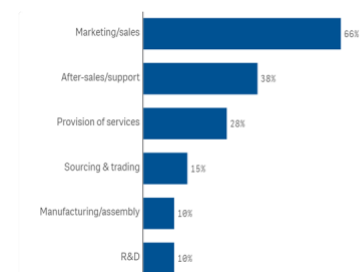
MAIN INDUSTRY IN NORWAY OF RESPONDENTS



NUMBER OF LOCAL EMPLOYEES BY RESPONDENTS



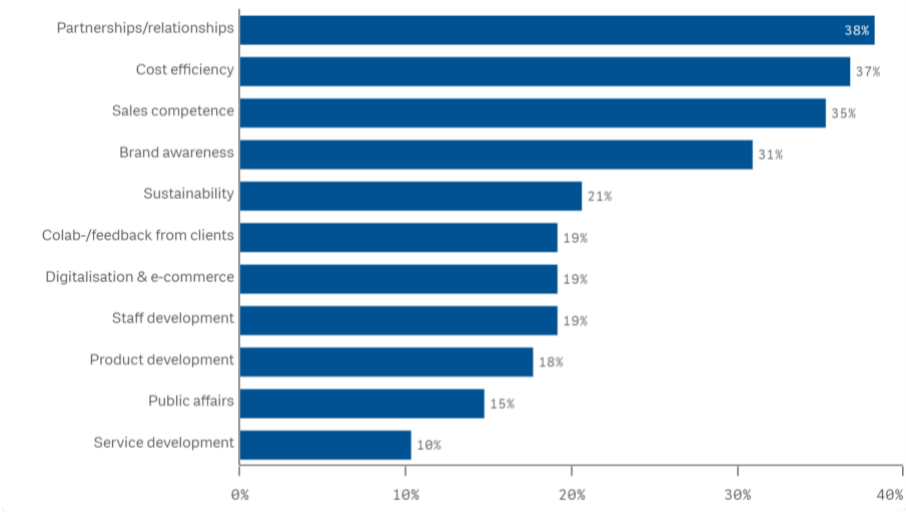
OPERATIONS IN NORWAY OF RESPONDENTS



NOTE: The number of respondents for this question was 68. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

AREAS IMPORTANT TO MAINTAINING COMPETITIVENESS IN NORWAY

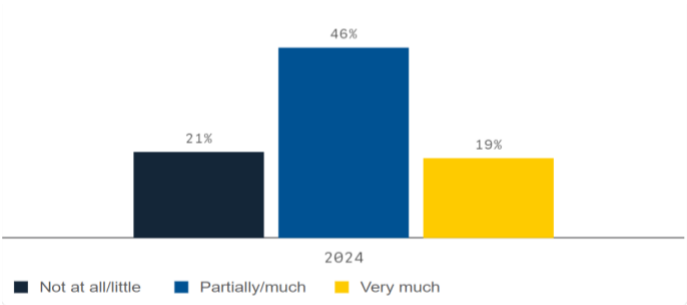


NOTE: The number of respondents for this question was 68. “Don’t know/Not applicable” responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

Being Swedish is a positive attribute

Of the respondents, 65 per cent state that the “Swedish brand” contributes to their business activities in Norway either partially/much or very much. While a majority of small, medium, and large companies see the Swedish brand as a contributor, it is interesting to note that 21 per cent of small companies view the Swedish brand as having little or no effect on business success. More than half (54 per cent) of professional services companies perceive the Swedish brand to have little or no effect on business success. Breaking down results by company maturity, the main trend shows that the surveyed companies see the Swedish brand as either partially/much or very much contributing to business activities.

HOW MUCH THE “SWEDISH BRAND” CONTRIBUTES TO SWEDISH COMPANY’S BUSINESS IN NORWAY



NOTE: The number of respondents for this question was 68. “Don’t know/Not applicable” responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

Critical factors for successful business in Norway

With such a large trade between Sweden and Norway, Swedish companies usually have experience from Norwegian business culture even before entering the market. There are however many aspects of doing business with, or within, Norway that need consideration. For instance, Norway not part of the EU, the industry business acumen, the physical infrastructure, and geography are differing factors to consider.

When conducting business in Norway it is crucial to recognize and respect the abovementioned differences between the countries. Even though Norway is close in proximity, it is advisable to be properly informed, explore and work through the needs accordingly, and act with a market strategy. Despite acknowledging and having opinions on the customs regulations in Norway, most companies that Business Sweden has contact with do not perceive it a stopper for doing profitable business in, or with, Norway.

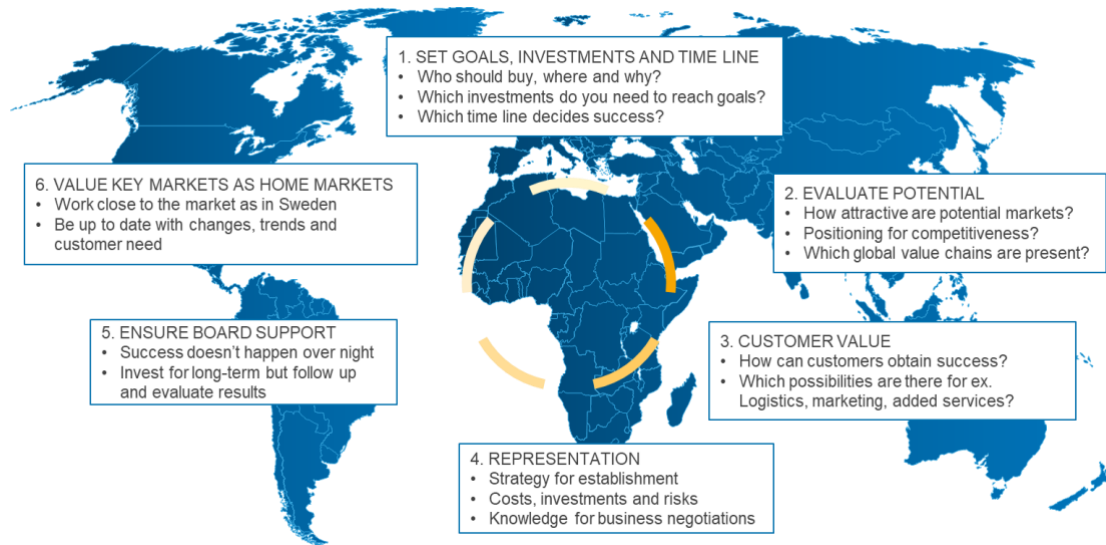
Norway's varying geography with its unique coastline, mountainous inland, offshore resources, and its Arctic climate, along with its Arctic territories, has characterised the country's business landscape. Travelling between parts of Norway can be time consuming, and smaller domestic flights are an often-used mode of transport. For business it can therefore be wise to evaluate the sales efforts per region of Norway. In addition, the Norwegian company structure is characterised by a few large players in the top, followed by many SMEs. Competition must therefore be expected when selling to these few tier one companies in Norway.

One key success factor is to be informed about what happens in Norway. In several dialogues with Swedish companies active in Norway, the Norwegian access to Swedish television growing up as well as good current media coverage of turn of events in Sweden is noted. In parallel, companies perceive the knowledge of current events in Norway, Norwegian geography, or culture, to not be at the same levels among Swedes. It is wise to be engaged in what is happening on the market to do successful business in or with Norway.

The Norwegian Transparency Act was recently introduced (July 1, 2022). It represents a significant step towards promoting ethical practices and corporate accountability in Norway. The Act aims to ensure that companies act responsibly, thereby empowering consumers, investors, and society. The governance framework surrounding the act is crucial in its actualisation. As with operating on any market, it is advisable to engage proactively in ongoing market dialogues.

After decades of working with both international business development as well as trade and invest promotion, Business Sweden provides below six advisory areas as critical success factors for doing business abroad.

CRITICAL FACTORS FOR INTERNATIONAL SUCCESS



SOURCE: Business Sweden

ACTING SUSTAINABLY

As described in the Market Outlook section, the Norwegian government has committed to the sustainability goals set in the Paris agreement at the 2015 UN Climate Change Conference. Norway and Norwegian companies have participated in the EU's emissions trading system since 2008, but signed a climate agreement with the EU in 2019 that provides a binding framework for Norway's climate goals, in line with the Paris agreement. Norway has a goal to reduce emissions by at least 55 per cent by 2030 and 90–95 per cent by 2050, compared to 1990 levels.

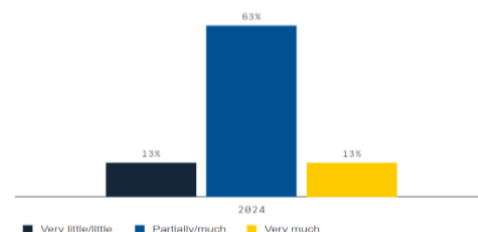
In September 2023, the Norwegian government published an updated roadmap for the Green Industrial Initiative first launched in June 2022. This roadmap presents the vision of nine key focus areas for the Norwegian economy ahead: offshore wind, hydrogen, batteries, maritime industry, CO2 management, bioeconomy, the process industry, manufacturing, and solar industry. This includes the development of a value chain for production, distribution and use of hydrogen with low or zero emissions, being a leader in offshore wind, and allocating offshore wind areas with potential for 30 GW of offshore wind production on the Norwegian continental shelf by 2040. In 2022, Norway's Battery Strategy was presented, with a government vision for Norway to develop a complete and profitable battery value chain and attract investments. Additionally, Norway aims to have leading solutions for carbon capture, a clean energy-efficient process industry, and a sustainable manufacturing industry. For the maritime sector, Norway continues to lead in the green transition with zero-emission solutions and autonomous vessels.

This presents valuable opportunities for Swedish companies, particularly in areas of renewable energy, environmental technology, automation, and infrastructure. This transition can also enhance competitiveness and position Norway and Sweden as leaders in the global green economy. Swedish business opportunities in and with Norway include Norwegian investments in hydrogen, battery technology, offshore wind, solutions for electrification of on-and-off-road transport, infrastructure, and retail.

When purchasing products and services, customers care about environmental aspects

Swedish companies in Norway perceive their customers to be highly aware of the environment when purchasing a product or service. Of survey respondents, 76 per cent reported that Norwegian customers consider environmental aspects of products or services partially/much or very much. Survey respondents highlighted that more and more tenders now include sustainable aspects as part of the tender criteria. When asked, respondents shared more context to the challenges they face in the Norway when it comes to sustainability. For instance, while Norway is a global leader in the use of electric cars, there is a need for government incentives to support the infrastructure and growth of electric heavy-duty transport. On the other hand, many respondents highlighted that while sustainability is important to customers, price is still a decisive factor. Companies mentioned that this is especially seen in the current market context with a weak krone, increased operating costs, and low real wage growth.

CUSTOMER CONSIDERATION OF ENVIRONMENTAL ASPECTS OF A PRODUCT OR SERVICE IN THEIR PURCHASING DECISION



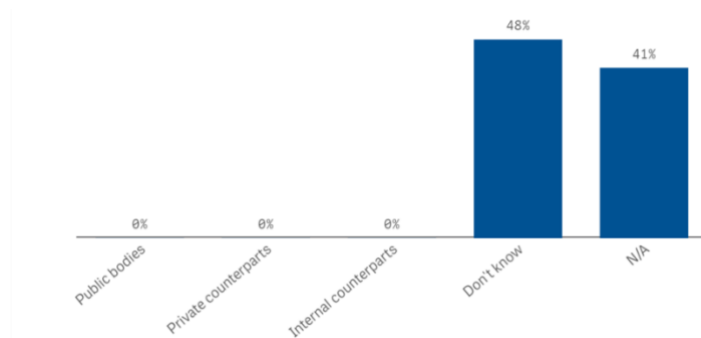
NOTE: The number of respondents for this question was 64. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

Respondents have not been exposed to corruption or perceived risk of human rights violations

Norway enjoys very high levels of public trust in government and institutions compared to other OECD countries. In 2021, 77 per cent of Norwegians reported trusting the government, far above the OECD average of 47 per cent.

Sustainable business practices include sustainable corporate governance. Healthy corporate governance is affected by the prevailing business environment of a given country. When asked whether they have been exposed to corruption in Norway, all respondents reported that they were unaware of that, or that the question was not applicable. This result holds true across company sizes and industries and is in line with Norway's consistently strong ranking in Transparency International's Corruption Perceptions Index (CPI). First launched in 1995, Transparency International publishes the CPI on a yearly basis to assess the level of corruption in the public sector and place corruption on the international policy agenda. The Nordic economies stand out as leaders on the CPI, with Norway ranked fourth least corrupt nation out of 180 countries in 2023.

EXPOSURE TO CORRUPTION SUCH AS (BUT NOT LIMITED TO) BRIBERY OR FRAUD IN CONTACT WITH BELOW AREAS

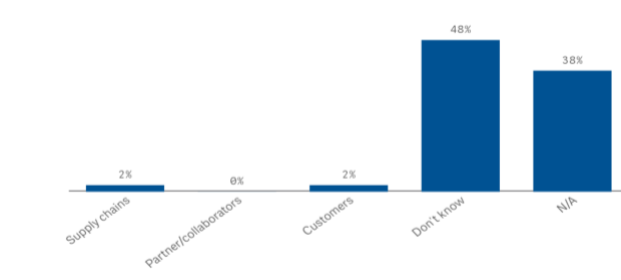


NOTE: The number of respondents for this question was 68. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Norway 2024

Norway also enjoys a positive reputation regarding upholding human and labour rights, with nearly all respondents answering they are unaware of human rights violations, or that it is not applicable. Two per cent of respondents perceive that there is a risk of encountering human and labour rights violations in the supply chains or amongst customers. Norway is a key partner of the International Labour Organisation, advancing decent work and social justice worldwide, ranked 10th in the voluntary funding contributors in 2022-2023.

PERCEIVED RISK OF ENCOUNTERING HUMAN RIGHTS VIOLATIONS AND/OR LABOUR RIGHTS ABUSES WHEN CONDUCTING BUSINESS IN NORWAY



NOTE: The number of respondents for this question was 68. Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Norway 2024.

TEAM SWEDEN SUPPORTING SWEDISH BUSINESS

Swedish exports, imports, and investments are prioritised by the Swedish government and seen as an important part of reducing unemployment and safeguarding Swedish welfare. Team Sweden is an official term and a way for the government to make use of coordinated and effective export support. The network includes almost 20 organisations, with e.g. The Swedish Export Credit Agency, the Swedish National Board of Trade, The Swedish Export Credit Corporation, Swedfund, Almi, Vinnova, Swedish Energy Agency, Visit Sweden, Swedish Institute, the Embassies of Sweden and Business Sweden.

In Norway, the Swedish Embassy, lead the Team Sweden collaboration. The Swedish Embassy together with Business Sweden, set out the official Swedish plan for trade & invest promotion. Across Norway there are Swedish consulates, important for the local Swedish business network. The Norwegian Swedish Chamber of Commerce act on behalf of its members. Furthermore, the Svensk-Norska Samarbetsfonden promote cooperation focusing on cultural and societal conditions. Voksenåsen, owned by the Swedish Ministry of Culture, is run as a centre for cooperation between Sweden and Norway.

Nordic Collaboration across industries

Formalised through a CEO agreement in 2021, Innovation Norway, Business Sweden and Business Finland, work in close collaboration within trade and invest promotion in selected initiatives where the value of acting together is greater than working alone. The agreement is to combine the national strengths and offerings within key business ecosystems in Norway, Sweden, and Finland and thereby strengthen the position in major export markets and make a common contribution to a sustainable development and a green shift globally. Some of the on-going initiatives are Nordic Battery Collaboration, Project Sarawak for smart grid, hydrogen and waste to energy in Malaysia, the exposition EXPO 2025 in Japan, and the introduction guidebook Doing business with NATO.

In addition, Nordic collaboration is occurring in multiple countries across the globe. Some initiatives are Bifrost Summit in the US focused on innovations for a sustainable future, Nordic Oats cooperation, the long-standing support project UN Procurement, the Nordic Sustainable Mining event series, and the reoccurring event Nordic Nigeria Connect, focused on the green future. In addition, there are the Nordic Innovation Houses in the US and Asia, working for Nordic entrepreneurs. The brand is, as the name suggest, owned by Nordic Innovation.

Bilateral trade and invest promotion

Promotion activities for increased collaboration and trade with Sweden as well as investments to Sweden take place across Norway. These activities are driven by the Swedish Embassy in Norway and Business Sweden, in close collaboration with partners such as Swedish consulates, the Norwegian Swedish Chamber of Commerce, local business organisations and chambers of commerce and of course, Swedish and Norwegian industry and R&D. Since 2022 these activities have taken place in e.g. Trondheim, Oslo, Narvik, Tromsø, Arendal, Bergen and Stavanger.

Nordic Battery Collaboration

The Nordic industry players have during the last years intensified their investments in the battery value chain. The industry is new, although based on industries of traditional Nordic strengths. The Nordics have key industry actors along the full battery value chain including R&D. Finland, Norway, and Sweden all have official priority for the battery industry and the battery industry is stated to have the potential to become a new basis industry in all three countries.

In the Bloomberg NEF ranking of 2024 all three countries are among the top eight countries for battery supply chains.

In 2021, the report The Nordic Battery Value Chain, from the Swedish Energy Agency and Business Sweden, concluded that there are complementary strengths within the Nordic battery value chain, a strong momentum for industry potential, a shared interest in joint trade and invest promotion, and a need for coordinated actions. Parallel Innovation Norway was driving webinars engaging EU leaders and companies on a Nordic level. The Nordic Battery Collaboration was officially launched in August 2021 and has a joint vision: “The Nordic region aims to be home to Europe’s leading sustainable, competitive, and innovative battery ecosystem by 2026”. It is held in partnership with the European Battery Alliance, InnoEnergy and with funding from Nordic Innovation.

Over 150 Nordic actors as companies, academia and local regions, have been actively engaged. The collaboration focuses on tangible activities within 1) Position on global markets (Japan, Germany, Brussels and the US), 2) Driving market dialogue across topics through Nordic Battery Thursdays, 3) Regional Nordic Battery Conferences in Sweden, Norway and Finland, 4) being the node of the Nordic battery industry and stay aligned with their need, and 5) Talent attraction. The platform Nordic Battery Thursdays has more than 1300 registrations from over 50 countries globally.

Electrification

Norway is a frontrunner in maritime and road electrification. It is world leading in percentage of electric vehicles (EV) per capita, and a frontrunner of production of battery systems for maritime use, with the world’s first electric ferry and fishing boat commissioned in 2015. Norway has set a goal to electrify all domestic air travel by 2040. A Norwegian-Swedish joint venture, Hydrovolt, has established one of Europe’s largest recycling facilities for EV batteries. Aligned with this, there are continuous activities within Swedish trade & invest promotion focusing on the electrification & strategic Swedish-Norwegian collaborations.

Offshore wind power

Norway has high ambitions for offshore wind power and has set a target to allocate areas that will allow for a capacity of 30 GW by 2040. These ambitions are now starting to take form and will require investments throughout the entire value-chain, from component manufacturing, expanded port infrastructure, and maintenance services before and after installation. Ventyr, a consortium consisting of Belgian company Parkwind and Swedish Ingka, won the first auction in Norway for the Sørlige Nordsjø II offshore wind development.

Business Sweden, in partnership with the Swedish Embassy in Norway, organised a delegation in May 2024 which brought together strategic and operational people from the Norwegian offshore wind industry and Swedish developers and suppliers in a personal setting. Set in the epicentre of the Norwegian offshore wind industry, Stavanger and Haugesund, the delegation allowed for dialogue and knowledge exchange, providing a springboard for collaborative partnerships.

Nordic Smart Grid Alliance

The grid networks play an essential role in the increased electrification of society. In parallel, existing grids need to be modernised and digitalised to be able to optimise energy use. According to the International Energy Agency (IEA), the need for hour-to-hour flexibility in 2050 is estimated to become four times higher, with batteries and demand-response systems as some of the enablers. Investments in technologies for demand flexibility are therefore needed. Therefore, Business Sweden in collaboration with the Swedish Embassy, organised “Nordic Energy Talks” in 2021 and later organised Nordic Smart Grid Alliance discussions in Norway, Finland, and Denmark.

Hydrogen

In the context of the green transition, increased energy demand and geopolitics the demand for stable hydrogen business partners has increased immensely. The Nordics preconditions for the hydrogen industry are very good: green energy supply, underground storage opportunities and experience of hydrogen with off-takers such as steel and maritime industry. In 2023 Business Sweden, in collaboration with the Swedish Energy Agency, Innovation Norway, and Business Finland published a report on the Nordic Hydrogen Industry mapping out synergies within the Nordic ecosystem. Dialogues for next steps with the industry are continuously held.

Industrial wood construction

As of January 2024, the Norwegian government is sharpening the environmental requirements for public tenders. Today, a substantial amount of public procurement (40 per cent) derives from the construction industry. The use of materials with a low CO2 footprint will increase in importance within construction. Several smart Swedish solutions have been developed within industrial construction in wood, particularly modular solutions that are both flexible and sustainable. Right now, there is a favourable timing for new products in the industry. For the second year in a row, the Swedish Embassy in Norway and Business Sweden hosted a conference in May 2024 focusing on industrial applications for wood construction, keeping in mind the full life cycle.

Land-based aquaculture

The demand for seafood is projected to double by 2050 and is considered an important alternative protein. Seafood is considered to have significant health benefits and comparatively low CO2 footprint. However, the fishing industry faces fundamental sustainability challenges. Since 2022, Business Sweden and the Swedish Embassy in Norway, together with the Mid-Norway Chamber of Commerce and Industry, have arranged cross-border dialogues to foster dialogues for innovation, business, and sustainability. Swedish regions and key Norwegian technology leaders and aquaculture stakeholders have met. In addition, Business Sweden engage in directed invest efforts to increase awareness about ongoing investment opportunities in Sweden.

Startups & Venture Capital (VC)

The Nordics are leading in scaling green transition investments. Entrepreneurs building scalable companies is key for current ESG considerations and in solving tomorrow's challenges. The Nordics are prominent in impact startups, attracting 30 per cent of European funding for climate tech since 2015. There is a high competition for fruitful investment opportunities. The Nordic region is the most innovative in Europe. There is an interest in co-financing to lower risks and grasp profitable ventures. In addition, there is a need for capital from startups and scaleups, connected to trustworthy investors, a wide business network and a long-term business mindset. However, venture capital investors or industrials on both sides of the Swedish-Norwegian border, state that they know too little about each other. The Swedish Embassy in Norway and Business Sweden see a potential for increased Norwegian/Swedish VC ecosystem interaction and are in planning for activities.

Cross-border destination and business development

The railway across the border from Norwegian Trondheim to Swedish Storlien is one of four railway crossings between the two countries. In December 2024, the Norwegian investment to electrify this Meråker Line will be completed, enabling increased freight and passenger traffic, as well as, if needed, increased transport of defence equipment and personnel. Furthermore, there is potential for increased tourist flows and increased academic and business collaboration. Based on this background, the Swedish Embassy in Norway, Business Sweden, the Norwegian Swedish Chamber of Commerce and the Mid-Norway Chamber of Commerce and industry invited to a bilateral meeting. About 55 representatives from both sides of the border met up in Trondheim in February 2024. The next session in Sweden later this year is already in planning.

Dialogue, networking, and professional insights with the Norwegian Swedish Chamber of Commerce

The vision of the Norwegian Swedish Chamber of Commerce is: 'Norway-Sweden: one market for innovation, production and sales of sustainable goods and services'. The strategy will build up around the vision, entailing four main areas: 1) Increased understanding and continued good frameworks for the development of our well-functioning common energy market, 2) Efficient infrastructure that supports the vision of 'one market', 3) Simplified business establishment and operations across the border and 4) Better cooperation on the total defence industry.

CONTACT US

ABOUT THE TEAM SWEDEN ACTORS IN THE BUSINESS CLIMATE SURVEY

THE EMBASSY OF SWEDEN is Sweden's diplomatic mission in Norway. It has a broad mandate to promote Swedish trade, investments and tourism to Sweden, based on the government's strategy and in close collaboration with other Team Sweden partners.

BUSINESS SWEDEN is jointly owned by the Swedish state and the Swedish business sector, having a unique mandate to help Swedish companies grow global sales and international companies invest and expand in Sweden. Business developers work with hands-on support, strategic and practical expertise as well as access to key stakeholders across 45 markets.

THE NORWEGIAN-SWEDISH CHAMBER OF COMMERCE is a member organisation of and for business in Norway and Sweden. The purpose is to promote commercial and industrial relations, cooperation within technology and research and raise interests towards Swedish and Norwegian authorities. The chamber arranges meetings for dialogue, networking, and professional insights.

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