

Opportunities in the Swedish construction industry

Opportunity

The continuous population increase is now pushing for new ideas to solve today's and tomorrow's housing shortage in Sweden. According to the Swedish State Housing Agency, 700,000 new homes are needed by the year 2025, and by 2050 probably just as many more. Now, the government's investigator has been suggesting to build brand new cities near railroad tracks and major roads on uninhabited land near the metropolitan areas.

Research has shown a lack of both skills and competition in the domestic market which opens up for foreign companies to enter and compete.

Several efforts are now being made to reduce skills shortages in the Swedish construction industry. One of the efforts made is housing companies who have resorted to recruitment trips in Europe to attract foreign companies for Swedish housing developments.

Foreign contractors, subcontractors and suppliers of equipment and material are therefore incentivised to enter the Swedish market to supply this demand.

Specifications

- **100,000 apartments to be built in the Stockholm region.**

Negotiations on new public transport initiatives which started in February 2016 has now reached the result of a new subway line to be built in Stockholm. This will lead to an increased housing construction of more than 100,000 new homes that will be built in Stockholm, linked to this investment.

- **Gothenburg is expected to grow by close to a third.**

Sweden's second biggest city Gothenburg is facing its biggest development in modern times. The city will grow by close to a third by 2035, providing space for 80,000 new homes. The cost for everything planned to be built in the Gothenburg region combined until 2035 will reach an astonishing 100 billion Euros. This is significantly more than previously calculated, indicating increased opportunities as well as major challenges.

- **30,000 new apartments to be built in Malmö in 2018**

In addition to the 30,000 new apartments, there are further planned investments of 500 million Euros for preschools and schools.

The construction industry in Sweden

The construction industry in Sweden is expecting continuous growth over the coming years boosted by a steady increase of population and urbanisation.

The entry of some foreign construction companies into the Swedish market has been hampered by difficult contracts, rigorous building and work environment regulations and documents that are only available in Swedish.

In 2017 the Swedish government commissioned The National Board of Housing to build and manage a website with information in English for foreign builders and construction companies to help remove the barriers that have been experienced. The website will include information about building rules, information about the planning process, working environment rules, contractual terms and more in the labor market. The purpose is to facilitate foreign companies to establish and work in Sweden to build housing.

Another way to get over these barriers is to partner up with domestic construction companies for projects, which is a common sight in the Swedish market.

What we do

ScandiConnect is experienced in assisting foreign construction companies to enter the Scandinavian markets. We have a database with in-depth information on the domestic construction industry including; potential collaboration partners, the competitive landscape and industry standards and regulations. Our research will show your company's potential in the markets and how to best approach a market entry. We can also open doors for your company through a range of marketing and sales activities especially tailored for a Scandinavian target group.

For more information about us

Visit our website at: www.scandiconnect.se