

HOW TO EXPORT TO SWEDEN

TERMS OF REFERENCE

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INTRODUCTION¹

Sweden is located in the north of Europe between Finland and Norway with Denmark facing its southern shores. Sweden is surrounded by the Baltic Sea, the Gulf of Bothnia and the North Sea. At 450 295 square kilometres, Sweden is the third largest country in Europe by area. In early 2017, a historic population milestone was reached, as Sweden's population hit the ten million mark. At the end of December 2018, Sweden's population was 10 230 185 which is an increase by 109 943 persons. The population increased for two reasons. Birth rates were higher than death rates, which accounted for 22 percent, and immigration rates were higher than emigration rates, which accounted for 78 percent of the population increase. Sweden has a moderate population density of 22.7 inhabitants per km² (2018).

Sweden's GDP for 2018 was 538 billion USD.

GDP per capita was 53 thousand USD for 2018.

Sweden depends on trade of goods and services with its partners around the world. Sweden has one of the highest import values per capita in the world. Most of the imported goods are delivered to businesses in the manufacturing industry. Sweden does most of the import from countries in the European Union (EU), for example, Germany, UK and the Netherlands.

Outside Europe the biggest supplier countries are China, US and Japan.

Sweden does most of the export to countries in the European Union (EU), for example, Germany and Denmark. Outside Europe, the top export destinations are the US and Norway.

Sweden is a democracy, with a constitutional monarchy and King Carl XVI Gustaf as Head of State. Sweden joined the EU in 1995. Consequently, Sweden is a part of the EU and importing into Sweden is a way to import and trade goods across the entire EU, comprised of 28 European member states as of March 2019.

Sweden passed through the global economic and financial crisis in 2007/2008 with limited damage, thanks to strong macroeconomics, fiscal and financial fundamentals. When the financial crises in Europe took place in the beginning of 2010, which largely revolved around Greece, Spain, Portugal, Italy, Ireland and Cyprus, Sweden contributed with a bilateral loan of EUR 600 million to Ireland.

There are many Swedish businesses which are well established in Brazil, among them Axis Communication, Scania, Volvo, Alfa Laval, Ericsson, Electrolux and Tetra Pak. Swedish industry has been doing business in Brazil for over a hundred years. According to the Swedish agency "Business Sweden" there are over 200 Swedish companies established in Brazil through subsidiaries or local distributors and partners.

¹Please note that all Statistics in the booklet are from www.scb.se if nothing else is stated. To be able to provide values in USD the

amount in SEK has been recalculated with the yearly average exchange rate, i.e. 1 USD = SEK 8.7 (2018).

There has been a recent trend for Swedish established businesses in Brazil to export more to the global market and almost all businesses have research and development departments in Brazil. In 2018 Sweden imported goods from Brazil to the value of USD 603 million. Brazil imported goods from Sweden to the value of USD 834 million.

Sweden is the home of many multinational businesses as well as some well-recognized universities, e.g. Stockholm School of Economics, Royal Institute of Technology (KTH), Karolinska Institute (KI), Uppsala University, Stockholm University and Lund University.

MAP OF SWEDEN

Country (2018)	Population (million)	GDP (USD billion)
Finland	5.5	289 USD
Norway	5.3	443 USD
Denmark	5.8	364 USD
Sweden	10.1	538 USD

Source: Statistic times



BASIC INFORMATION

Area:	450 295 km ²
Cultivated land:	30 001 km ²
Population:	10 230 185
Population density:	22.7 inhabitants/km ²
Major cities:	Stockholm (Capital), Gothenburg and Malmö
Currency:	Svensk krona (Swedish crown)
Exchange rate (2018):	1 USD = 8,7 SEK
GDP (2018):	USD 538 billion

Source: Statistic Sweden

Composition of GDP (2018)

Agriculture:	1.5 %
Industry:	24 %
Services:	74 %

Source: Statistic Sweden

GDP growth:

2014	2015	2016	2017	2018
2.6 %	4.5 %	2.7 %	2.1%	2.3 %

Forecast for 2019: + 1.9 %

Source: OECD Statistics

GDP per capita (USD thousand):

2014	2015	2016	2017	2018
46,6	48,4	49,1	51.4	53.1

Foreign trade (2018):

Exports: 46,8% of GDP (USD 252.07 billion)

- Goods: 32,8 % of GDP
- Services: 14 % of GDP

Imports: 44,7% of GDP (USD 240.57 billion)

- Goods: 31,7 % of GDP
- Services: 12,9 % of GDP

Source: Statistic Sweden

Bilateral trade (2018):

Brazilian exports (Brazil to Sweden): 603 million USD

Brazilian imports (Sweden to Brazil): 834 million USD

Source: Statistics Sweden

I GENERAL CHARACTERISTICS

1. Population, urban centers and indicators

The total population in Sweden is 10 230 185 (December 2018) inhabitants resulting in a population density of 22.7 inhabitants per km².

Sweden’s population has been on the up rise: in 2000, the population was 8 882 792 inhabitants and has since grown 14 % (2018). The forecast is for the population to continue to increase and in the year 2017, Sweden’s population surpassed 10 000 000 inhabitants. The population increased for two reasons. Birth rates were higher than death rates, which accounted for 22 percent, and immigration rates were higher than emigration rates, which accounted for 78 percent of the population increase.

Forecast of Sweden’s increasing population

Year	Population
2019	10 322 201
2020	10 421 344
2021	10 520 066
2022	10 612 107

Source: Sweden Statistic

Major Urban Centers per 31 Dec 2018

City	Inhabitants	Percent of total population
Stockholm (Capital)	2 336 404	22.8
Gothenburg	570 640	5.5
Malmö	338 230	3.2
Uppsala	223 993	2.1
Västerås	151 555	1.4

Source: Sweden Statistic

Main social economic indicators

Income distribution (2018 USD)

Average income per capita	33 300
GDP per capita	53 100
Household disposable income	20 553

Source: OECD

Sweden has an income distribution which is very equal in comparison with other OECD countries.

The income distribution is affected by several factors, among them, benefit payments of various kinds and tax levels.

Swedish housing has become more expensive and as a result, Swedish households spend roughly one fifth of their disposable income on housing for both rental and owned leasehold in 2018. A discussion has been ongoing for some time regarding house- and apartment prices and household indebtedness in Sweden, and whether their current levels are sustainable in the long term or if there is an evident housing bubble. Sweden has seen a strong increase in disposable income together with substantial population growth and low real interest rates in recent years, these factors have contributed to the sharp increase in house and apartment prices during the period 1995-2018 in Sweden.

Picture shows percentage of Swedish population with low economic standard

Low economic standard implies that the disposable income of households, adjusted with consideration to the dependency burden, is lower than 60 % of the median value in the population. In 2017 the median value was USD 28 552. This is an increase of 0.7 percent since 2016, taking inflation into account. Since 2011, the economic standard has increased by 13 percent.



* The statistics are based on the surveys Household Finances (HEK) and Incomes and taxes (IoS). Statistics based on HEK are available for the years 1975–2013 and statistics based on IoS from the year 2011. Due to that a break occurs in the time series when the statistics change source figures are presented in parallel for the years 2011–2013.

Education

In Sweden, school is mandatory from the age of six until the age of 16 (i.e. nine years of compulsory school). After compulsory school it is possible to attend a three year education, upper secondary school, although this is not mandatory in 2018, 83 percent of the Swedish population age 25 to 64 has an upper secondary education. Swedish schools and education are funded by tax payments. English is spoken widely in Sweden and is a mandatory core subject, why the English language proficiency in Sweden is high.

Average years in school	11.4
Government spending on education in proportion to GDP	7.55%

Source: Skolverket

2. Political and administrative organization

Political organization

Sweden is a democracy, with a constitutional monarchy and King Carl XVI Gustaf as Head of State. The political power is vested in the elected parliament (Riksdag), resulting in a multi-party system where the 349 seats in the parliament are divided according to the percentage of votes a party receives in an election. For a party to take seats in the parliament the party has to have at least four percent of the total votes in the election. The parliament’s main task is to constitute law and approve the national budget and the Prime Minister.

The last Swedish general election was held in September 2018, with the result that the Social Democratic Prime Minister Stefan Löfven was reinstated for his second term in office.

The judiciary

Sweden has a judiciary that is divided into general courts (District court, Court of appeal and the Supreme Court) and administrative courts (Administrative court, Administrative court of appeal and Supreme Administrative Court). The general courts handle civil and criminal cases. The administrative courts handle individual complaints against government decision. There are also special courts for specific cases among them, Swedish Labour Court, Market Court, Land and Environment Court and Migration Court.

WEBSITES FOR SWEDISH CENTRAL GOVERNMENT BODIES

The Swedish Government (Riksdagen)	http://www.riksdagen.se/
Ministry of Enterprise and Innovation	http://www.government.se/government-of-sweden/ministry-of-enterprise-and-innovation/
Ministry of Justice	http://www.government.se/government-of-sweden/ministry-of-justice/
Ministry of Education and Research	http://www.government.se/government-of-sweden/ministry-of-education-and-research/
Ministry of Environment and Energy	http://www.government.se/government-of-sweden/ministry-of-the-environment/
Ministry for Foreign Affairs	http://www.government.se/government-of-sweden/ministry-for-foreign-affairs/
Ministry of Finance	https://www.government.se/government-of-sweden/ministry-of-finance/
Ministry of Health and Social Affairs	http://www.government.se/government-of-sweden/ministry-of-health-and-social-affairs/
Swedish Energy Agency	www.energimyndigheten.se/en
The Swedish Tax Agency	www.skatteverket.se
Swedish Customs (state administration for import/export)	www.tullverket.se
Medical Products Agency	www.lakemedelsverket.se
Swedish Statistical Bureau	www.scb.se
National Food Agency	www.livsmedelsverket.se/en

Sweden is part of the following international organizations and multilateral economic and political agreements/treaties:

European Union

International Finance Corporation

International Monetary Fund

OECD – The Organization for Economic Co-operation and Development

The World Bank

WTO – World Trade Organization

United Nations

II ECONOMY, CURRENCY AND FINANCES

1. Economic settings

The international financial and economic crisis has painted a good picture of Sweden’s economic policy and development during the last years, and its ability to manage its economy in times of turmoil. Sweden currently has a budget for a surplus goal written into the economic policy regulatory framework. Sweden’s goal was in 2007 reduced from 2 % down to 1% and will in 2019 be reduced to 0,33 % of the GDP.

Sweden has an export orientated, high technology and well differentiated economy, seen as one of the world’s most competitive. Most of the economic indicators for Sweden look good, in particular its international competitiveness, according to Specialists the Swedish GDP is expected to increase with 1.9 % during 2019.

Labour market

In common with other EU-countries Sweden has a significant number of small and medium-sized enterprises. In 2018 they together generated 59.7 % of value added and 65.5 % of employment.

The unemployment rate is low in Sweden in comparison with other countries. For the age group 15-74 Sweden has the second highest employment rate in comparison with other EU countries, i.e. 73.1 % in December 2018.

2. Key economic sectors

Brief statistic

(USD thousand)

GDP at market prices

2014	2015	2016	2017	2018
451.574	474.643	487.065	498.754	512.719

Source: OECD

Inflation (percentage)

2014	2015	2016	2017	2018
-0.2	0	1	1.8	2.2

Unemployment rate per Dec. (percent)

2014	2015	2016	2017	2018
7.9	7.4	6.9	6.7	6.3

Source: Sweden Statistic

Life Science

Sweden aims to be a leading life sciences nation. It is today one of Sweden’s most important sectors and a fast growing market both in Sweden and globally which needs to tackle tomorrow’s societal challenges and maintaining a competitive edge.

Sweden has the necessary prerequisites to pioneer life sciences, excellence in research, one of the world’s best health care systems and a well-educated population that is quick to adopt new technologies.

The Government Offices instated a life sciences coordination function, an office for life sciences, in February 2018. The office has been tasked with promoting knowledge development, innovation and excellence in health and social care, and at higher education institutions. It has also been tasked with improving conditions for establishing and operating life sciences companies in Sweden.

According to the life science office innovation and cost-effective solutions will create better opportunities for high-quality, equitable, gender-equal and accessible health care and social services.

Sweden has major economic interests in the life sciences sector. In 2018, life sciences companies export products valued at USD 11 Billion (approximately 7 per cent of total exports)

Sweden aims to be an attractive international test market for the global industry to attract new investments.

Organisations within the life science industry

www.lif.se

www.swedenbio.se

www.swednanotech.com

www.swedishlabtech.se

Agriculture and forestry

Agriculture in Sweden is mostly done by machines and only occupies 1.2 % of the working population. Today there are approx. 63 000 farms in Sweden, a number that has been on steady decline since the 1970’s.

Sweden has Europe’s second biggest forested area after Russia. Sweden’s forests cover about 23 million hectares. Approximately 7 % of Sweden’s area is cultivated land and 66 % of the area is covered by forest.

Spruce and pine are by large the predominant species of trees. These two count for over 80% of the timber stock in Sweden.

From the forest area:

Privately owned forests	50 %
State-owned forests and other public forms of ownership	25 %
Industrial private	25 %

Out of the 477 685 hectares of organic agricultural land, 74.4 % consists of arable land, 22 % permanent grassland and grazing areas and 0.1% out of permanent crops. Agricultural farms are now a high technological sole proprietorship. Three out of four agricultural farms are combined with forestry. The state-owned company Sveaskog owns around 15 % of the forestry and is the biggest private owner of forest in Sweden.

Mining

Sweden as a country has a long history of mining and metals. Already during the 9th century, Sweden had the first public mining company in the world, STORA Kopparberg. Since then, the sector has been one of the main Swedish industries and is now vibrant and expanding, since both foreign businesses and Swedish business are searching for permission to mine for minerals, mostly in the northern Sweden.

Sweden has throughout the years built an extensive geological database and has the world's largest drill core sampling available for research. In the EU, Sweden is the largest producer of iron ore, second largest of silver, gold, lead and zinc and the third largest of copper. Sweden plays a leading role in metallurgical R&D as well as in the development of advanced and ecological underground mining.

The biggest mining companies in Sweden

www.boliden.com

www.wikingmineral.se

www.nickelmountain.se

www.lkab.com

www.lundinmining.com

Manufacturing

Then manufacturing industry is the backbone of the Swedish economy and amounted to 16,2 percent of the GDP in 2018.

The manufacturing industry consists of several different orientations, and the most established are the engineering industry and the process industry. It is a

highly diversified industry, ranging from raw materials such as metal, wood and plastic to chemicals, machinery and vehicles.

The Swedish manufacturing industry has in the later years demonstrated the feasibility of using modern technology to transform environmentally unsustainable production processes.

Swedish innovations have gained ground throughout the world and Swedish industrial companies have grown big and won significant international successes. The industrial sector's great capability for renewal has been a decisive factor in its success. A clear development in recent years is the increasing service content of industrial goods. The industrial sector is increasingly selling a complete solution, rather than simply a product. A restructuring of industry has also resulted in more people being employed in service-sector companies that supply the industrial sector, rather than being employed directly in the industrial sector, which was often the case in the past. This also means that both the traditional industrial sector and the industrial services sector are the focus of this strategy for new industrialisation.

In 2016 the Swedish Government launched a project to strengthen the development of Swedish industry. The project is called *Smart industry* which is a new industrialisation strategy that aims to strengthen the industrial sector's competitiveness and reinforce Sweden's position as an attractive location for industrial production.

The aim is to make Sweden a world leader in the innovative and sustainable production of goods and services.

Energy

Sweden has invested heavily in the search for alternative energy sources ever since the oil crisis in the early 1970s. During the 1970s, 75 % of the accounted energy supply was oil. By 2012 this number has decreased to 21.5 % and has stayed at that level since. The EU has stated guidelines regarding the use of energy with the goal to reduce the greenhouse effect. This will most likely increase the use of new and better energy systems. Sweden has made it free for each consumer to choose the supplier of energy as well as nationwide price-leveling. This has increased the businesses in the market of energy supplying and today over 130 companies sell electricity to Swedish consumers.

Electricity companies

www.vattenfall.se

www.skelkraft.se

www.varbergenergi.se

www.eon.se

www.telgeenergi.se

Bioenergy

As mentioned above, Sweden has the second largest forestry in Europe. 85 % of the bioenergy today comes from the forestry sector. Bioenergy represents about 30 % of Sweden's total supply of energy, which mostly is used in district heating and industrial processes.

To read more about bioenergy please visit:
<http://www.bioenergiportalen.se/?p=1416>

Wave power

As for now, wave power is still undergoing initial R&D for viability. Pilot studies are under way on the Swedish west coast to determine whether the technology might be commercially viable in the longer term.

Solar Energy

Sweden has a very limited solar-cell market in comparison to other European countries. The problem with the use of solar-cells in Sweden is that it is only mostly possible during summertime due to the location of the country and the long dark winters. Although, the usage of solar-cells has showed some growing potential since 2005. Total installed capacity in 2011 was approximately 14 MW. During 2013-2016 the Swedish Energy Agency will invest SEK 123 million in research into solar cells, thermal solar power and solar fuels with a view to boost the use of solar energy in the Swedish energy system.

Read more about the investment in solar cells here:

<https://www.energimyndigheten.se/Forskning/Kraftforskning/Solkraft/Solceller/>

3. Currency and finances

Overview

Sweden’s GDP for 2018 was 538 billion USD. Sweden passed through the global economic and financial crisis with limited damage, thanks to strong macroeconomics, fiscal and financial fundamentals. According to the Financial Minister at the time, Anders Borg, the reason that Sweden managed the financial crisis in 2008/2009 is that Sweden refrained from expensive measures, e.g. banking and industry support. According to Bertelsmann foundation, another contributing reason might have been that the government chose to not alter regulatory frameworks, which could have jeopardized stability, for instance labour market conditions.

Sveriges riksbank
www.riksbank.se
Standard currency
 Svensk krona (Swedish crown)

Currency

Sweden’s official currency is the Svensk krona (Swedish crown). Though a number of Member States in the European Union have chosen to use the Euro as currency, Sweden has, through a referendum in 2003 voted to keep the Svensk krona as the official currency in the country.

Banking system

Sweden Central Bank (Sveriges Riksbank) is an authority under the Swedish Parliament. The Sweden Central Bank’s main assignment is to issue banknotes and coins and to ensure that the Swedish crown retain its value over time, which means to keep the general increase in prices, at a low and stable level. Sweden Central Bank specified inflation target is to be 2 %.

Another task is to ensure that payments in the economy can be made efficient and safe.

The Sweden Central Bank shall also act to promote stability in the Swedish financial system as a whole.

Source: OECD

General government deficit and dept	Unit	2014	2015	2016	2017
Government deficit	% of GDP	-1.6	0.2	1.1	1.6
General government debt	% of GDP	63.4	61.6	60.3	57.9
General government revenue	% of GDP	49.52	49.79	50.80	50.86
General government spending	% of GDP	51.08	49.64	49.69	49.33

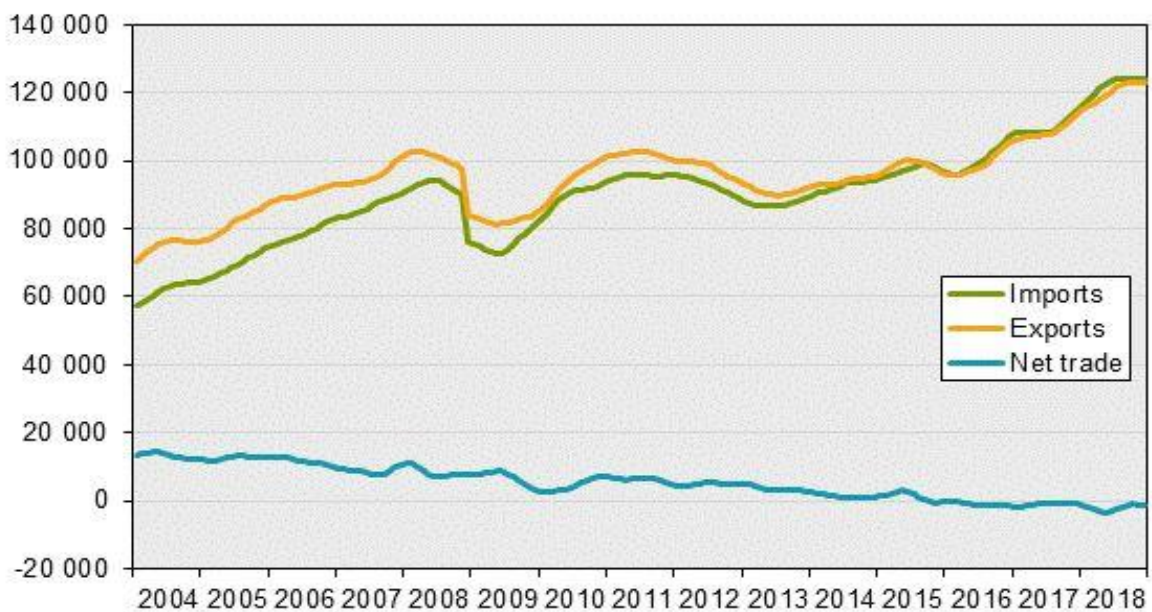
III OVERVIEW OF THE COUNTRY’S FOREIGN TRADE

1. Recent development: General considerations

Sweden

Sweden is a country that depends on exports as well as on imports. In 2018, the value of imports of goods increased by 12 percent compared with 2017. Most of the imported goods are delivered to the marketplace. Machinery, components as well as fuel and chemicals are some of the most important goods imported. Only a quarter of the imported goods are strictly consumption goods, like food, electronic and clothes. Imports play a big part of the Swedish export, since parts and components are often imported in order to be exported as a finished product, through global value chains. In 2018 about 71 % of Swedish imports were trade in goods and the remaining 29 % percent were trade in services. Regarding the imported services the most valuable services were business services, for example in research and development, marketing and technology.

The value of exports of goods increased by 10 percent compared with 2017, which resulted in a net trade deficit of USD 3.78 billion in 2018. Imports were valued at USD 240.57 billion and exports were valued at USD 252.07 billion.



In 2018 about 70 % of Swedish exports were trade in goods and the remaining 30 % percent were trade in services. In 2018 the most valuable sector was manufacturing goods such as machinery, electronics, telecommunication and vehicles. Regarding the exported services the most valuable sectors were research and development, marketing and technology. The largest part of Sweden’s exports, 75 % goes to the rest of Europe.

(USD billion)

EXPORT	Value Jan-Nov	Value Jan-Nov
Year	2018	2017
TOTAL	153	137
Europe	114	101

Part in %	Change in %
2018	2017/2018
100	11
74,4	12

IMPORT	Value Jan-Nov	Value Jan-Nov
Year	2018	2017
TOTAL	156	138
Europe	131	116

Part in %	Change in %
2018	2017/2018
100	13
83,9	12

Source: Sweden Statistics

2. Origin and destination (USD million)

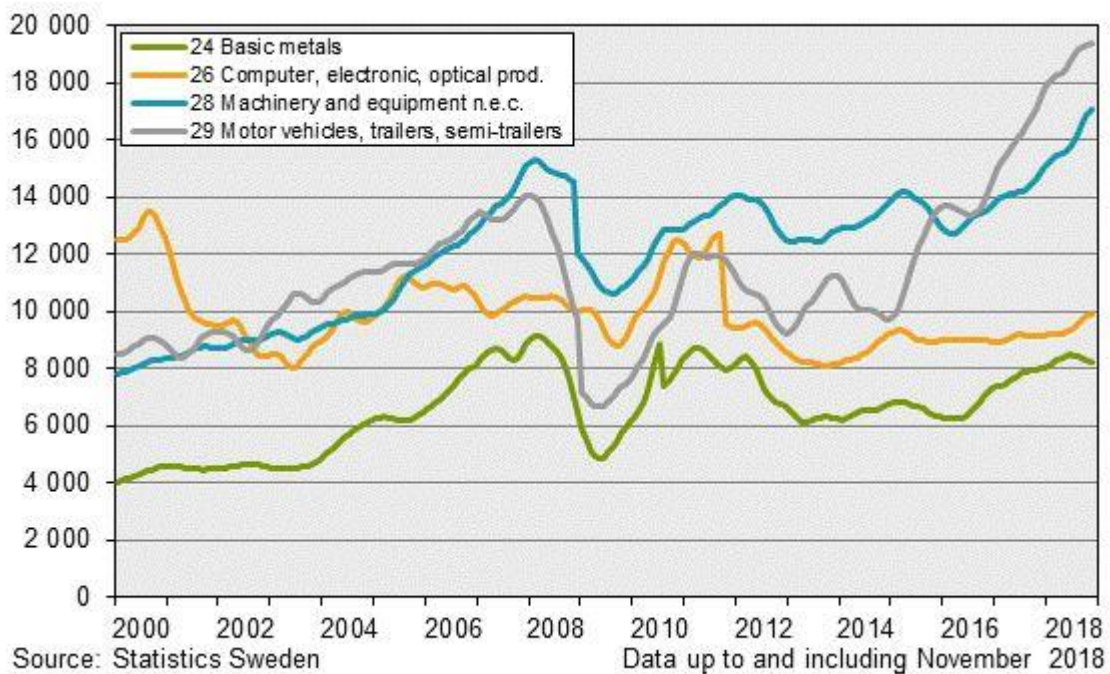
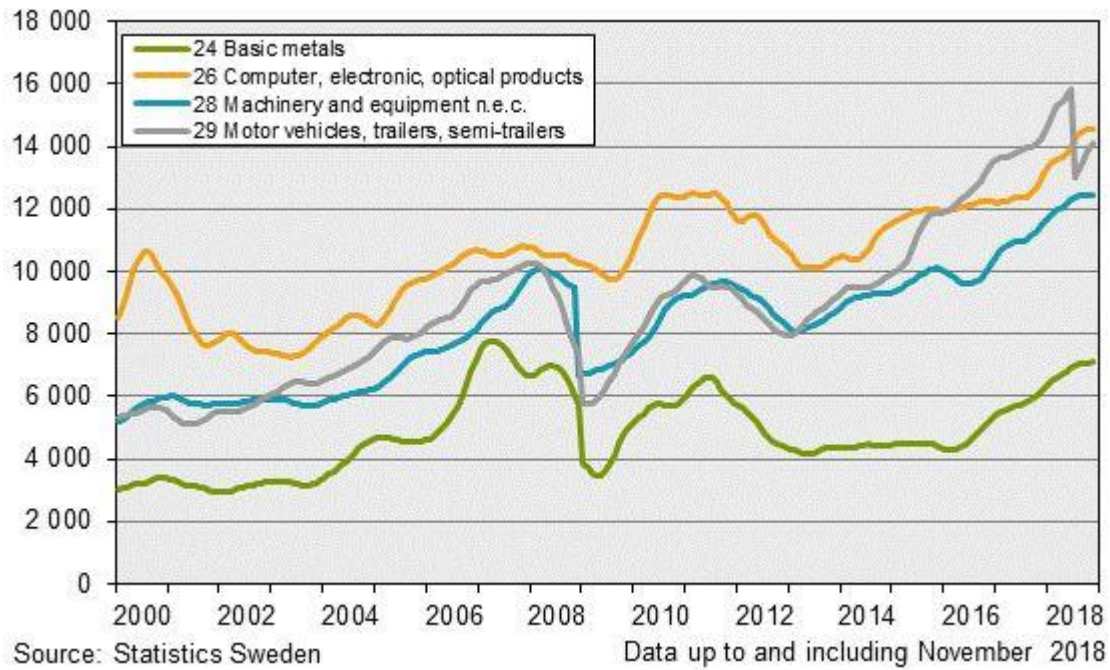
2018	IMPORT	EXPORT
TOTAL	156 201	152 947
Europe	131 111	113 832
EU-countries (EU28)	109 844	91 198
Other European countries	22 633	18 103
Africa	3018	2 889
North Africa	706	1 475
West Africa	1 987	293
Central/East-/South Africa	324	1120
America	5 803	14 574
North America	10 831	11 704
Central-/South America	1 590	2 869

Source: Sweden statistic

3. Composition by product (Sweden)

IMPORT		EXPORT	
USD million		USD million	
Forest products	4 583	Forest products	15 396
Mineral products	12 617	Wood products	3 331
Iron and steel	6 023	Wood pulp	2 609
Non-ferrous metals	2 418	Paper	8 760
Ores, scrap	1 685	Mineral products	15 532
Chemicals	18 677	Iron-stone	2 158
Elemental, compounds	4 662	Iron and steel	7 053
Pharmaceuticals	3 902	Non-ferrous metals	3 021
Plastics	3 881	Chemicals	19 695
Rubber goods	1 870	Elemental, compounds	2 083
Energy goods	18 705	Pharmaceuticals	8 746
Crude petroleum	9 803	Plastics	3 677
Oil products	6 920	Energy goods	12 258
Vehicle parts	67 328	Oil products	10 477
Metal work	4 893	Mechanical products	69 708
Machinery	16 028	Metal work	4 151
Telecom products	23 552	Machinery	22 806
Road vehicle	17 913	Telecom products	15 760
Private car	7 962	Road vehicle	22 718
Traction vehicle, trucks	1 314	Private car	10 750
Parts, accessory	1 200	Traction vehicle, trucks	3 680
Instruments optical goods	3 627	Parts, accessory	6 768
Other goods	34 292	Other transport	910
Food products	16 725	Instruments optical goods	3 364
Textiles, shoes	7 997	Other goods	20 357
		Food products	9 773
		Textiles, shoes	3 496

Source: Sweden statistic



4. General foreign trade of Brazil

Brazil is the world's 8th largest economy (2019), and the largest economy of Latin America. Brazil's economy is impressive and diversified encompassing oil and gas, mining, manufacturing, agriculture and services.

Brazil is an attractive export market, made even more so after hosting the FIFA World Cup in 2014 and the Olympic Games in 2016. Brazil's GDP per capita PPP in 2017 was USD 15 651 according to OECD.

Brazil accounts for 34.4% of the EU's total trade with Latin America. As for investments Brazil holds 53% of the entire EU investment stocks in Latin America. The EU accounts for 21.4 % of the total trade in Brazil. And Brazil accounts for 2.1% of the EU's total trade. Which indicates a strong trade relationship, according to the European Commission

The EU imports primarily agricultural products 40.4%, which makes Brazil the single largest exporter of agricultural products to the EU. Fuels and mining products accounts for 28.8%. Around a fourth of the exported goods from Brazil is manufactured products, indicating that these products are also important.

Exports from the EU to Brazil mostly contain manufactured goods such as machinery, transport equipment and chemicals. The EU has historically an overall trade deficit with Brazil, though in 2013 the EU recorded a trade

surplus in goods (more than double the surplus registered in 2012) which has continued on through 2017. The EU also has a surplus in commercial services trade.

Regarding investors in Brazil, the EU accounts for the largest part, which is represented in many sectors of the Brazilian economy.

Considerations

The EU consistently encourages Brazil to reduce tariff and non-tariff barriers, which is protecting the Brazilian market with an average custom tariff of 13.5 %.

All importers are required to have an Exporter and Importer registration (REI) in order to enter into cross border transactions. Importers also have to be registered with an electronic system, the Integrated Foreign Trade System (SISCOMEX): a Brazilian Federal Revenue Service that processes all customs procedures. Each import transaction must be registered in SISCOMEX in order to obtain an import declaration for the goods to clear customs.

It is also good to be aware that Brazilian Customer Protection Code requires product labels to provide clear, accurate and easily readable information about the quality of the products, quantity, composition, price, guarantee, shelf life, origin and any risk to the consumer's health and safety. Products that are imported into Brazil also have to bear a Portuguese translation.

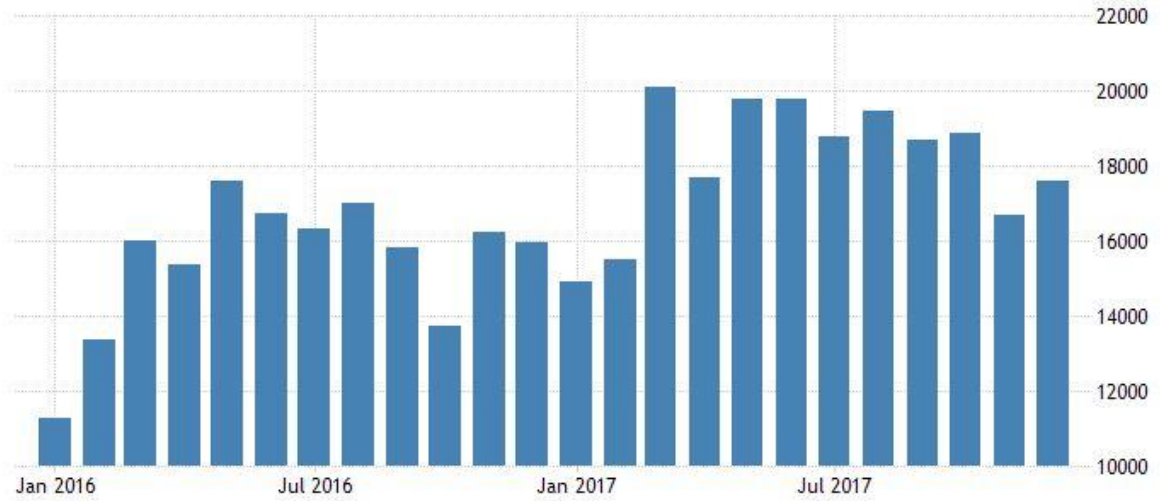
Origins and top products imported/exported

<https://atlas.media.mit.edu/en/profile/country/bra/>

<p>Top 5 products <u>exported</u> by Brazil</p> <table> <tr> <td>Soybeans</td> <td>12%</td> </tr> <tr> <td>Iron Ore</td> <td>9.2%</td> </tr> <tr> <td>Crude Petroleum</td> <td>7.9%</td> </tr> <tr> <td>Raw Sugar</td> <td>5.2%</td> </tr> <tr> <td>Cars</td> <td>3.1%</td> </tr> </table>	Soybeans	12%	Iron Ore	9.2%	Crude Petroleum	7.9%	Raw Sugar	5.2%	Cars	3.1%	<p>Top 5 products <u>imported</u> by Brazil</p> <table> <tr> <td>Refined Petroleum</td> <td>8.1%</td> </tr> <tr> <td>Vehicle Parts</td> <td>3.6%</td> </tr> <tr> <td>Packaged Medicaments</td> <td>2.2%</td> </tr> <tr> <td>Integrated Circuits</td> <td>2.1%</td> </tr> <tr> <td>Cars</td> <td>2.1%</td> </tr> </table>	Refined Petroleum	8.1%	Vehicle Parts	3.6%	Packaged Medicaments	2.2%	Integrated Circuits	2.1%	Cars	2.1%
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Brazilian exports 2016-2017

Export by month (USD Million)

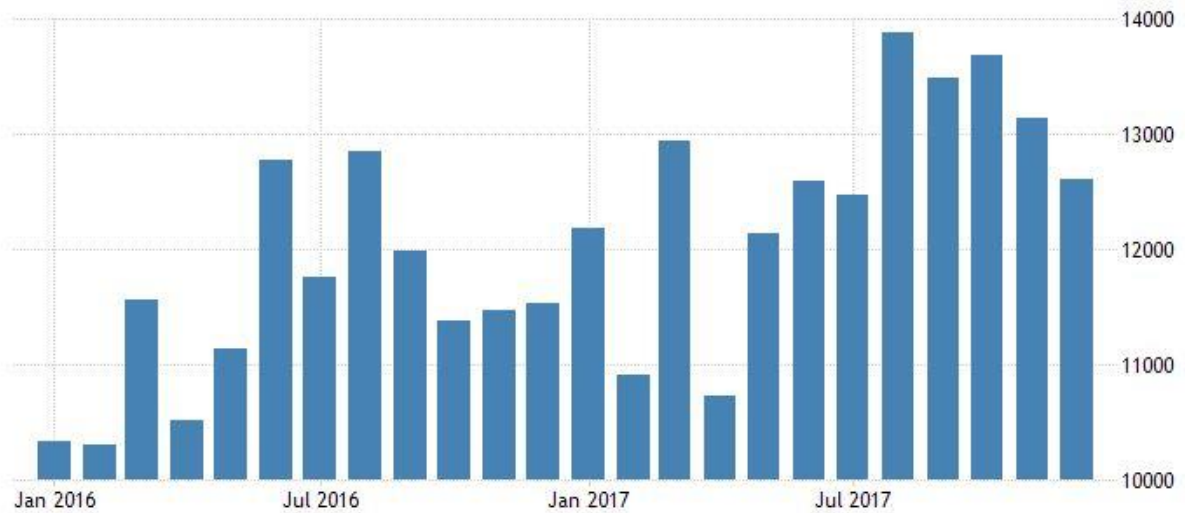


SOURCE: TRADINGECONOMICS.COM | MINISTÉRIO DO DESENVOLVIMENTO, INDÚSTRIA E COMÉRCIO EXTERIOR

Source: www.tradingeconomics.com

Brazilian imports 2016-2017

Import by month (USD Million)



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Source: www.tradingeconomics.com

IV BRAZIL-SWEDEN ECONOMIC RELATIONS BETWEEN

1. Bilateral trade

EU and Mercosur

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. Since Sweden is part of the EU and the EU has a harmonized custom legislation at the most, Sweden is affected in the agreements that EU makes with Brazil. The EU consistently encourages Brazil to reduce tariff and non-tariff barriers, which is protecting the Brazilian market with an average custom tariff of 13.5%.

Brazil is part of Mercosur, which is a custom union including, Argentina, Brazil, Paraguay, Uruguay and Venezuela. It is similar to the EU and has similar goals, to create and promote free trade and flow of goods and services inside the custom union. An important part of the EU's ongoing negotiations for a free trade agreement is with Mercosur.

After almost two decades of negotiation, the EU-Mercosur association agreement is very close to be concluded. A future EU-Mercosur Association Agreement, should provide a boost to regional trade integration among the countries of Mercosur and stimulate new opportunities for trade and investment with the EU by removing tariff and non-tariff barriers to trade and FDI. Though, there are still many issues to discuss and agree on. And the EU is reviewing its trade strategy and reassessing its international portfolio of negotiations.

The EU-Mercosur Association Agreement will cover among other issues, trade in goods and services, intellectual property rights aspects including protection of geographical indications, investment, government procurement technical barriers to trade and sanitary and phytosanitary aspects.

Bilateral trade between Brazil and Sweden in USD 2012-2018

Source: Mercosur official website

Año	Total Exportaciones FOB USD	Var.Anual	Total Importaciones FOB USD	Var.Anual	Balanza FOB USD
2012	578 810 829	-9,06%	2 365 541 022	-7,76%	-1 786 730 192
2013	545 329 796	-5,78%	2 377 944 536	0,52%	-1 832 614 740
2014	583 978 479	7,09%	1 998 452 202	-15,96%	-1 414 473 723
2015	579 206 818	-0,82%	1 446 977 495	-27,60%	-867 770 677
2016	606 709 529	4,75%	1 309 675 333	-9,49%	-702 965 805
2017	530 206 341	-12,61%	1 580 251 742	20,66%	-1 050 045 401
2018	671 901 484	26,72%	1 470 648 136	-6,94%	-798 746 652

2. Principal economic agreements with Brazil

Bilateral agreement

There is above all two very important agreements between Sweden and Brazil that have both strengthened the current trade and investment relationship as well as created new opportunities for further integrating the economies.

The first agreement is the Bilateral Agreement on economic, industrial and technology cooperation which was signed in April 1984. Through this agreement stronger and deeper cooperation between researchers from Swedish and Brazilian institutes was facilitated.

In 2009 Brazil and Sweden signed an additional protocol to the agreement. The protocol states that the parties intend to establish a policy dialogue as a way to build closer ties and address questions of mutual interest. This mutual interest could be actions directed to research, development and innovation cooperation between small and medium enterprises, exchange of experience on innovation process and systems and among more also stimulate the increase in bilateral trade and investments.

This protocol has a direct purpose to stimulate bilateral trade and investment between Sweden and Brazil, hence it will probably increase the trade values going forward. The agreement makes it easier for students and workers in specific areas to come to Sweden and go to Brazil to learn from the different developments in both markets. All connections may lead to new cross-border businesses as well as an

increase innovation. In connection with the President, Dilma Rousseff's, visit to Sweden in 2015 it was decided to further advance the bilateral ties by adopting a new Action Plan for the Strategic Partnership Brazil-Sweden.

The Gripen project

General information

One agreement that will fulfil the purpose in the agreement on economic, industrial and technology cooperation is the “Gripen project”. On the 18th of December 2013 Saab, a Swedish defence and security company signed a contract with the Aeronautics Command, COMAER. The contract covers the production and development of 36 Gripen NG fighter aircrafts for the Brazilian Air Force, up to the value of USD 4.5 billion.

The Ministers recalled the 2009 Plan of Action of the Sweden-Brazil Strategic Partnership, which early on identified the potential of further bilateral cooperation in the defence area, including joint projects, industrial partnerships, technology transfer, education and training, particularly in the aeronautical field.

According to the Ministers when signing the deal, this association is not only limited to the equipping of the Brazilian Air Force but rather a long-term, strategic cooperation. In reiterating their high expectations regarding the Strategic Partnership between Brazil and Sweden in Military Aeronautics. The Ministers reaffirmed the intentions of their Governments to jointly explore synergies regarding the testing,

training, logistics, operations and future upgrades of the Gripen system.

The agreement will hopefully spin-off in similar agreements between the countries. As well as open the eyes of Brazilian investors and exporters to make business in Sweden as well as with Swedish businesses.

In connection with the Ministers intention mentioned above, and maybe more important for the future strengthening of the relationship between the Brazil and Sweden, an agreement was signed regarding co-operation to deliver substantial technology transfer from Saab to the Brazilian industry, at the same time as the Gripen project. The co-operation projects, in accordance with the agreement regarding technology transfer is intended to be in force for approximately ten (10) years.

In 2016 the Swedish Ministry of Enterprise and Innovation gave the Swedish Agency for Growth Policy Analysis an assignment to analyse the opportunities, limitations, and potential spillover effects, not only inside the project and aeronautics, but also in extended parts of both economies. The main conclusion of the study was that the Gripen set-up of Saab with Brazil has resulted in a completely new international spillover situation that has changed how to produce and develop fighters by exploiting the opportunities in organizational and geographic borders rather than, as in the past, relying mostly on domestic companies and organizations. As a result of that the dependence on a global supply and value chain has increased, not only for technological development but also for risk-sharing. Several new bi-national

spillover channels were identified. A consequence is an increased importance of private and public funding for research and innovation and universities as research partners in the creation and diffusion of spillover.

Details and future possibilities

A verification and validation of the first serial production aircraft to the Swedish customer will take place in 2019. Serial production deliveries will continue during 2020. The first aircraft to Brazil will be delivered to start the flight test campaign in Linköping, Sweden, in 2019. The others will be delivered in Brazil from 2021.

As stated in the above the Gripen project as well as the co-operation agreement is very important for the development of the relationship between Sweden and Brazil. The co-operation agreement will hopefully lead to a good integration of the two countries knowledge and further cooperation to strengthen trade and investment.

Further, COMAER will have a leading role as the strategic partner in the F-X2 programme. As part of the technology transfer plan Brazilian industry will have an important role in the development of and, be responsible for the production of the two-seat Gripen NG variant for the Brazilian Air Force.

Together with Sweden, Brazil will be the launch customer for the next-generation Gripen, which will share the same smart design and innovation technology as today's Gripen versions. The Gripen aircraft are currently in operational service in several other countries, e.g. Hungary, Sweden,

Czech Republic, South Africa and Thailand as well as it is used at the UK Empire Test Pilots' School (ETPS). This gives Brazil a good opportunity, as part of the current development of the aircraft, to create good connections elsewhere.

The plan is that the next-generation Gripen will meet the markets demand for a sophisticated and flexible combat aircraft with sustainable costs. The aircraft should provide more thrust, endurance and extended range as well as expanded weapons capacity, new sensors including AESA radar, highly effective electronic warfare systems and multi-function communications.

The Gripen NG for Brazil and the Gripen E for Sweden will share all the attributes of the next-generation Gripen design as well as they will be tailored to fulfil each country's specific national requirements. Saab states that the commitments by Sweden and Brazil secure the Gripen's industrial and operational future into the 2050 timeframe. If this statement holds true there are huge investment opportunities for both industries in Brazil as investors, in the technology market the following 35 years.

Hopefully, as mentioned earlier, the agreement regarding technology transfer will spin-off in further projects involving more and maybe other industries that can make use of the knowledge from both Sweden and Brazil.

To read more about the Gripen-project please visit Saab's website:

www.saab.com

3. Opportunities: key products imported by country

CONSTRUCTION AND INDUSTRY MARKET

Opportunity

Since traffic in Sweden has increased, especially in the larger cities and along major routes through the country the Swedish Government has adopted a national plan for infrastructure for the period 2018–2029. The total investment amounts to USD 80.5 billion and is the largest infrastructure investment ever made in Sweden. The plan covers major investments in both new construction and restoration and modernisation of existing infrastructure. The decision also covers significant investments in maritime transport infrastructure and roads.

The Swedish infrastructure and construction market is today dominated by a few companies that are running many different projects in all sectors of construction. The big investments into the Swedish infrastructure market mean that there is a room for international construction companies and companies within the construction equipment business that want to take part in future infrastructure projects.

Construction equipment

Swedish construction and infrastructure companies are very competent using innovative new technologies and methods. The working environment in Sweden has made them find ways of building for extreme climates and conditions they therefore work closely with research institutes to develop new materials for their products. With

regards to this there will be a possibility for Brazilian companies within the construction machinery business to collaborate with global leaders to improve their own offering and also an opportunity to participate in on-going R&D projects at Swedish research institutes, developing building techniques and environmental and sustainable ways of building.

In regards to the trade of construction equipment or parts thereof between Sweden and Brazil, goods from Scania and Volvo’s truck manufacturing in Brazil are noticeably prominent. During 2018 one third of the total import value from Brazil was due to vehicle parts.

The intensity of trade involving construction equipment is primarily explained by the natural integration of business chains that have establishments in both Sweden and Brazil. An integration is needed to be able to meet the market completion as well as to adjust to price changes and market changes. It also gives the businesses a better opportunity to enlarge the number of different products that can be featured. As a consequence of the Gripen project, the forecast is that the interaction between Sweden and Brazil is going to increase, especially within the high-technology industry.

Swedish industries in Brazil

www.volvo.se

www.scania.se

www.abb.se

www.autoliv.se

www.sandvik.se

www.electrolux.se

www.ericsson.se

www.tetrapak.com

www.skf.com

www.alfalaval.com

FOODSTUFF MARKET

Organic foods

During the past years the Swedish market and the demand for organic food has expanded rapidly. Because of Sweden's geographical location, import of such goods are necessary. Most of the import in the foodstuff market are goods which are not possible to grow in Sweden due to location. Such goods could be organic wine, fruits and vegetables, sweet corn, rice, oils, raw coffee, tea and cocoa as well as a range of seafood.

Consumption

Swedes spend approx. 20% of the total income on food and beverages in 2009. The price of food has increased during the last six years. Imports of food and beverages has steadily increased over the last couple of years, during 2006 and 2012 the import value has grown by 40% when measured in SEK. The primary food import consists of food, which is not produced in Sweden. This includes such products like: nuts, green coffee, tea, citrus fruits, spices and wine. Further, products that due to Sweden's geographic location, are only produced in Sweden during a part of the year are imported during the other parts. Such products could be fruits and fresh vegetables.

According to Chamber Trade Sweden about 70% of all food imports are normally imported from the European continent, of which other EU-countries account for the dominant part. Though, it should be noted that some of these imports have their origin in countries outside the EU.

Sweden has one of the highest consumption of organic products in the world, \$240 per capita per year. Nine percent of all food and beverages sold in Sweden are organic, which is, together with Denmark the highest percentage in the world. According to the Swedish organic industry association, KRAV, the reason for the increase is due to the growing health awareness among the Swedes. There is also an increase in availability of organic products and new product development. In order to keep up with the growing demand, the Swedish government released an ambitious plan to double the area under organic cultivation by 2020. You will find organic products at any supermarket in Sweden. There are no special organic sections; they are rather placed within a product category next to conventional products. Since the consumer in Sweden is becoming more aware of a healthy lifestyle, this has opened up a new market for healthy alternative to ordinary food products.

For the imported goods to be classified as organic products into Sweden or to be traded as such, organic products have to be certified by a control organization.

The Swedish parliament has, with regards to the EC Regulation, legislated official inspectors for organic products. The two organic organizations in Sweden, KRAV (The Swedish Organic Agriculture Association) and The Swedish Demeter Association, have both been named as official inspection bodies.



KRAV is Sweden's most well-known certificate in the organic market. This certificate, according to studies, is known to 98% of the Swedish population.

To obtain the KRAV-label for your product(s), the production of the coffee has to meet special requirements. First of all:

- Find a Swedish importer as licensee.

The Swedish importer as KRAV-licensee registers the product(s) in question and receives the certificate and can market them in Sweden with the KRAV-label.

Secondly:

- Download the KRAV standards, which are the requirements that have to be met and make sure that these standards are fulfilled.

The KRAV standards can be found at: www.krav.se



Fairtrade is another common seen certificate for coffee in Sweden. Fairtrade is an alternative approach to conventional trade and is based on a partnership between producers and consumers. When farmers can sell on Fairtrade terms, it provides them with a better deal and improved terms of trade.

When a product carries the Fairtrade mark it means that the producers and the traders have met the Standards issued by Fairtrade, which are designed to address the imbalance of power in trading relationships, unstable markets and the injustices of conventional trade.

To read more about the Fairtrade certificate go:

www.fairtrade.net

Regulations

Food labelling:

(Directive 2000/13/EC)

- Baby food (Directive 2006/125/EC)
- Coffee extracts
- (Directive 1999/4/EC)
- Fresh fruit and vegetables
- (Regulation (EC) 1234/2007 in conjunction with Regulation (EC) 1580/2007)
- Fruit juices (Directive 2001/112/EC)
- Frozen food (Directive 89/108/EEC)
- Honey (Directive 2001/110/EC)
- Olive oil (Regulation (EEC) 2568/91)
- Sugars (Directive 2001/111/EC)
- Organic food (Regulation (EC) 834/2007, Regulation (EC) 889/2008 and Regulation (EC) 1235/2008)
- Food supplements (Directive 2002/46/EC)

In case of non-compliance when importing food products to Sweden, the products can be withdrawn at any time in the supply chain. Sweden operates through the EU's rapid alert system for food and feed (RASFF) to avoid that consumers are exposed to food poisoning.

Food importers/wholesalers

- ICA Group
- Coop Group
- Axfood
- Bergendahls Group

Convenience store wholesalers

- Axfood Närlivs
- Menigo
- Privab

Food service wholesalers

- Servera (Axel Johnson)
- Menigo
- Svensk Cater
- Martin Olsson

TEXTILE MARKET

Sustainable fashion

In 2015, the Nordic Council of Ministers for the Environment agreed on a Nordic action plan for a sustainable fashion and textile industry. The action plan underlines the importance of sustainable development in fashion and textiles, an area in which the Nordic Region leads the way. The action plan aims to develop the framework conditions for sustainable design, production and consumption and to make a positive contribution to sustainable development and green growth, both in the Nordic Region and globally in the period up to 2050. There is almost no domestic production of textile and garments in Sweden, in similarity with the rest of the Nordic countries. Such products are imported from other countries.

Consumption

As well as for certified organic foods, the Swedish consumers are willing to pay extra for textiles that are environment friendly and sustainable. Swedish consumers are demanding and aware, with a good knowledge of materials, care and environmental impact. One certified textile that has been upcoming on the market is organic cotton, where both the dyeing and the manufacturing should be as compatible with nature as possible. One of the reasons for this new trend could be that WHO has stated that according to their calculations around 40 000 of the farmers that are growing cotton die because of the biocide that is used to prevent insect infestation during the cotton's growing period. This has made costumers more aware of

farmer's circumstances around the world.

For businesses it is also a question about CSR (Corporate Social Responsibility) as well as the demand and awareness from the customers

Many of the large retailers of textile and clothes has a line, were the clothes are strictly made out of organic cotton. Examples are, conscious by H&M, Sustainable by Lindex and ECO by Indiska.



Above is the five most common certified textile marks. Links to each of the marks websites, from left, below.

Svanen:

www.svanen.se/en/

EU ecolabel:

www.svanen.se/en/Criteria/EU-Ecolabel-criteria/

Global organic Textile Standard:

www.global-standard.org/certification.html

OEKO-TEX Standard 100:

www.oeko-tex.com

Good environmental Choice:

www.naturskyddsforeningen.se/in-english

Regulations

Textile products ([Directive 2008/121/EC](#))

V MARKET ACCESS

SWEDEN

1. Tariff system

Sweden is part of the European Customs Union, which signifies that there are no barriers between the Member States in the union. Hence, when goods have entered through a custom border to any of the Member States in the European Custom Union it is possible to transfer the goods to any of the other countries inside the union, without it being a new import/ export.

Consequently, when products have arrived to one Member State and the customs formalities have been completed, the products are released to free circulation in the single market area.

Since Sweden is a part of the European Custom Union, Sweden shares a common custom and trade policy with the other member States, for example the customs nomenclature and custom tariff for imported products are the same in all Member States. The custom nomenclature is a number constituted by eight digits that is built on the HS nomenclature. HS is a shortening of The Harmonized commodity and coding System. There is around 1 200 HS nomenclature, each applied on a certain description of goods.

Since a number of regulations could not be met only the use of this number there is also categories under the

customs nomenclature, customs tariff. As of 2010 the customs tariff included around 11 200 declarable goods codes, each one of them constituted by a number of ten digits. This number is called the Tariff number or goods classification code. This tariff number determines which duty and taxes shall be paid when importing as well as if there are any special documents needed when declaring the goods.

The EU has a large number of requirements for imported goods that Sweden as a Member State has to incorporate in Swedish national legislation. Though there are certain areas where the rules regarding trade is not harmonized, in these areas the national law is applicable. Sweden is also a part of the World Trade Organisation and has agreed to follow the frame work and policy's set up by the organization.

General Scheme of Preference (GSP)

GSP is created to help developing countries by making it easier for them to export their products to the European Union. This is done in the form of reduced tariffs for their goods when entering the EU market.

Since 1 January 2014 Brazil is no longer under the General Scheme of preference (GSP). This means that all Brazilian export to the European Union and Sweden will from that time be subject for normal custom duty, taxes and fees.

List of the European Member States*

Belgium	Lithuania	Germany
Bulgaria	Luxembourg	Hungary
Cyprus	Malta	Austria
Denmark	The Netherlands	Spain
Estonia	Poland	UK
Finland	Portugal	Czech Republic
France	Romania	Ireland
Sweden	Slovakia	Italy
Greece	Slovenia	Latvia
	Croatia	

* As of March 2019

2. Regulation of foreign trade activities

Permit to import in Sweden?

Normally when importing in Sweden there is no need to have a certain permit. Though it is necessary to have a special registration number called EORI-number. It is possible to apply for an EORI number at the Swedish Customs, it is also possible to use an EORI-number from another Member State when importing in Sweden,

Goods that can be in the scope for restriction

Some goods fall under restrictions when exported to Sweden. The most common reasons for the applicable restrictions are:

- Trade policy
- Environmental
- Health or security
- Protection against the spread of animal and plant diseases.

Example of some goods where restrictions can arise are:

- Animals and animal products
- Plants
- Food products
- Ammunition and weapons
- Alcohol
- Chemical products
- Medicine and drugs
- Trade with endangered animals and plants (CITES)
- Counterfeit goods (intellectual property)

To import weapons to Sweden you have to have a special import license from the police. Regarding animals, it is only possible to custom clear them in certain cities in Sweden.

One should initiate contact with one or more of the following departments in Sweden, before starting to export to Sweden.

Swedish Customs
www.tullverket.se

Swedish Tax Agency
www.skatteverket.se

National Board of Trade
www.kommers.se

Agricultural Board
www.jordbruksverket.se

Chamber of Commerce
www.handelskammaren.com

National Food Administration
www.slv.se

Classification of goods

Making a correct classification of goods that are exported to Sweden is a key for the following trade procedure.

Normally customs duty and other taxes and fees shall be paid at the time of import. To be able to calculate the costs, the goods have to be classified in accordance with the given tariff codes.

The tariff codes indicate whether or not a special license or permit is required when importing the goods.

If the goods are difficult to classify it is possible to apply for a binding tariff information, which is a written decision for the goods that will be valid in the whole EU.

Customs duty

The customs duty is accounted on the value or on the quantity of the goods. For some tariff codes the customs duty is zero, meaning there is no customs duty to pay at import. The customs value is based on the price that the importer has to pay the exporter for the product. There are some other costs that shall be included when calculating the customs duty, even though these costs are not always included in the invoiced price. An example of this is within transportation, loading, unloading, insurance and handling costs. If the customs duty and other taxes in the EU are included in the invoiced prices, these costs shall be deducted before accounting the customs value.

VAT

A general sales tax was introduced in Sweden in the 1960s. The VAT rules are also harmonized in the EU, though not the VAT-rate.

Step by step the rate of sales tax applicable has increased from 4% in the 1960s up to today's standard VAT rate on 25%. There are also two reduced rates 12% and 6%. 12% is applicable on food, restaurants, hotel accommodation and camping. 6% VAT is applied on newspaper, books, magazines, cultural and sports events as well as to transports.

Taric Query System

The Taric Query System gives free-of-charge online access to the Customs Tariff. It contains commodity codes linked to the rate of the duty applicable for different products and any other charges to be paid on import or if an import licence or any special permit is needed in order to import the product into the European Union.

<http://tulltaxan.tullverket.se/#!/taric/nomenclature/>

3. Documentation and requirements

The following documents should be assembled by the exporter when importing to Sweden.

- Invoice
- Customs value declaration
- Freight invoice
- Certificate of Origin that entail preferential taxation
- Certificate of Origin that prove the goods Origin though not entail preferential taxation
- Packing list
- Other documentation that may be required for application of the
- Free movement of goods, such as license and proof of export
- If the goods falls under import restriction

Customs clearance in Sweden

The EU has stated the rules for customs clearance which are to be applied when exporting to Sweden. It is possible to pay directly at the border or by credit if certain criteria are met. In all cases where the goods are disposed before the duty on entry is paid Swedish Custom takes a collateral backing.

The normal procedure of customs clearance is that the goods declaration is handed to the Swedish Custom, by paper or electronically. After Swedish Customs has reviewed the goods declaration they will leave a decision of disposition for the goods. In the case where there is no credit agreement the duty on entry shall be paid immediately.

Assistance to exporters
Swedish Customs www.tullverket.se
International Trade Center www.intracen.org
Swedish Chambers' trade promotion Cooperation Agency (SIDA) www.sida.se
Swedish Chamber's trade promotion programme maketrade.se
Open Trade Gate Sweden www.opentradegate.se

Product liability

If the exporter does not import the goods on their own in Sweden and instead uses an importer in Sweden, it is possible that the Swedish buyer can be held responsible by consumers if a product is defective and the defect causes damage, according to EU legislation. This is called product liability. Claims for financial compensation for injuries caused by defective products may be passed on to you by your buyer, if he expected a certain level of product safety, which normally is agreed in the contract between the parties. If a company acts as both importer and exporter the business will be held responsible directly against the consumer in case of damages.

EXPORT FROM BRAZIL

Procedures and documentation

The export procedure are laid out in Chapter IV of SECEX. All procedures are carried out electronically through SISCOMEX.

All exporters automatically registered in SECEX's exporters register (REI) at the time of their first export operation. This registration does not apply if the export is shipped by post and the value is less than USD 50 000, though with some exceptions.

Export taxes

Brazilian law provides for the application of an export tax of 30%, which may be decreased or increased up to 150% in order to address foreign exchange or trade policy objectives. In practice, the export tax is zero-rated, except on raw hides and skins, cigarettes, and arms and ammunition. During 2013, Brazil's rates applied remained unchanged.

There are no minimum export prices, except from when calculating the export tax. Exports are exempted from the Tax on Industrial Products, the Contribution to the Social Integration Programme, the Contribution to Social Security Financing and the state-level tax on the circulation of Goods and Services.

Prohibitions

Some products are under prohibition of export due to environmental protection and compliance with international agreements.

To know more about exporting from
Brazil visit:

<http://portal.siscomex.gov.br/>

VI SALES AND MARKETING STRUCTURE

1. Distribution channels

The distribution channel for exported goods is depending on the market as well as the exported product.

Exported products are mainly imported by retailers and wholesalers, i.e. traditional brand suppliers and sourcing companies. In most cases the initiative to the trade is coming from the import side.

For food it is common with trade groups. The most common Swedish trade groups are ICA, Coop, Axfood and Bergendahls which deal with both retail and wholesale activities. These four groups are dominating the Swedish import food market.

2. Sales promotion

Take part in and visit trade fairs, it is an extraordinary way of getting contacts on the market when you are planning on starting export operations. At the Swedish fairs it is common that many of the participating parties are wholesalers and importers which target groups that are retailers. By visiting a trade fair the exporter can be provided with information regarding the market and the current completion on the market. It is a good opportunity to demonstrate and test new products and search for new costumers. For participants that are already exporting to Sweden it is an opportunity to increase current sales and turnover.

To see which trade fairs in Sweden are interesting for your business, visit:

www.svenskamassan.se/en

3. Trade practices

When the market has been examined and the exporter knows who and where to turn on the market it is time to approach the buyer. Swedish meetings are normally quite strict, the importer will expect that the exporter is well prepared, in time and can answer all the relevant questions regarding the initiated export. Swedes are normally comfortable having meetings in English.

In some cases the Swedish importer would prefer to visit the importer instead of the other way around. This can depend on the kind(s) of goods that are up for the export discussion as well as what country and what company the importer is planning to make business with.

As mentioned in the above, there is a typical trend that goods shall be certified by different standards which depends on what goods it concerns. This can also be a reason for the importer to visit the exporter instead, to make sure that the exporter can fulfil the requirements set out in the standards.

For some useful information visit:

maketrade.se

From export price to retail price

When calculating the price for the export there are a number of factors to take into account. Among them the exporters costs and profit. Some of the more important are:

- What is the targeted market segment?
- What market and product? How is the supply situation? Are there any direct substitutes for your product? What is the type of product, consumer friendly? Luxury?
- What does the competition in the market look like? What prices do they have?

VIII RECOMMENDATIONS TO BRAZILIAN COMPANIES

Sweden has a high number of businesses operating in Brazil, with great growth potential. A Brazilian business that would like to export to Sweden and enter the Swedish market as well as the EU market, could easily contact any of the Swedish businesses operating in Brazil or contact any of the Swedish authorities mentioned in this report.

Sweden and Brazil have a good trade and investment relationship, steadily increasing due to new agreements and big trading contracts, among them the Gripen project.

Since Sweden is a part of the EU, exporting to Sweden from Brazil, will make the goods enter to free circulation inside the whole EU, which will increase the possibility for Brazilian businesses to export more goods.

ANNEXES

I – ADDRESSES

In Sweden

Brazilian Embassy in Stockholm, Sweden

Kungsgatan 88

112 27 Stockholm, Sweden

Number: (+46) 8 545 163 00

Fax: (+46) 8 545 163 14

brasemb.estocolmo@itamaraty.gov.br

consular.estocolmo@itamaraty.gov.br

www.estocolmo.itamaraty.gov.br/en-us

Opening hours Consular Section:

To the public: 9 am – 12.30 m

Telephone queries: 9 am - 11 am

Official local bodies of interest to Brazilian executives:

Brazilian Chamber of Commerce in Stockholm

Executive Director Elisa Sohlman

Västra Trädgårdsgatan 8

111 53 Stockholm, Sweden

info@brazilcham.se

Phone: +46 73 584 18 11

Office in São Paulo (Swedish Chamber of commerce in Brazil)

Rua Oscar Freire, 379 - 12º andar - cj. 121

CEP: 01426-001 - São Paulo / SP - Brazil

Phone: +55 (11) 3066-2550

Fax: +55 (11) 3066-2598

brazil@swedcham.com.br

In Brazil

Trade Intelligence Division:

Divisão de Inteligência Comercial - DIC
Ministério das Relações Exteriores
Esplanada dos Ministérios, Bloco H, Anexo 1, sala 513
70.170-900 Brasília-DF
Telephone: +55 (61) 2030.8932
Email: dic@itamaraty.gov.br

Trade Promotion Operations Division:

Divisão de Operações de Promoção Comercial- DOC
Ministério das Relações Exteriores
Esplanada dos Ministérios, Bloco H, Anexo 1, sala 426
70.170-900 Brasília-DF
Telephone: +55 (61) 2030.8932
doc@itamaraty.gov.br

Department of Foreign Trade Operations:

Departamento de Operações de Comércio Exterior – DECEX
Ministério do Desenvolvimento, Indústria e Comércio Exterior
Esplanada dos Ministérios, Bloco “J”, sala 918
70053-900 - Brasília – DF
Telephone: (61) 2027.7000
www.desenvolvimento.gov.br
decex.gabin@mdic.gov.br

Swedish Embassy in Brasilia, Brazil

SES Avenida das Nações quadra 807 lote 29

70.419-900 - Brasília - DF

Brazil

Telephone (+55) 61 3442 5200

Email: ambassaden.brasilia@foreign.ministry.se

www.swedenabroad.se/brasilia

Business Sweden in São Paulo

Rua Joaquim Floriano 466 - Cj. 1908,

BR-04534-002 São Paulo, Brazil

Telephone: +55 11 2137-4400

Email: brazil@business-sweden.se

www.business-sweden.se/kontakt/vara--utlandskontor/Brasilien/Sao-Paulo/

Chamber of Commerce in São Paulo

Rua Boa Vista 51 – Center – São Paulo, SP – Brazil

Postal Code: 01014-911

Telephone: (+55) 11 3180-3262

www.spchamber.com.br

CHAMBERS OF COMMERCE

www.sverigeshandelskamrar.se

KEY LOCAL TRADE ASSOCIATIONS (Links)

www.business-sweden.se

www.trade.gov

MAIN BANKS

www.nordea.se

www.swedbank.se

www.SEB.se

www.handelsbanken.se

Major Exhibitions and Fairs:

To see the biggest exhibitions and fairs in Sweden please visit:

www.stockholmsmassan.se

OBTAINING DOCUMENTS

II – ADDITIONAL INFORMATION

Currency and subdivisions:

Currency - Swedish Crown (SEK)

Paper – 20 SEK, 50 SEK, 100 SEK, 200 SEK, 500 SEK and 1000 SEK

Coin – 1 SEK, 2 SEK, 5 SEK and 10 SEK

Weights and measures:

1 kilo (kg)*

2,205 pounds

1 liter (l)* Approx. 1 U.S. quart

0.22 Imp. Gallon

1.75 Imp. Pints

1 kilometer (km)* 0.621 mile

1 meter (m)* = 1,094 yards

1 centimeter (cm)* = 0.39 inch

*Marked with star indicates usage in Sweden.

Holidays:

Main holidays on which government agencies, commercial establishments, and banks are closed for business. Note that not all commercial establishments are closed for holidays, it is most likely that some food stores are open.

Easter Holidays – for 2019 18-22 April

First of May – 1 May

Ascension day – for 2019 30 May

Swedish National Day – 6 June

Pentecost – for 2019 8 June

Midsummer Day – for 2019 21 June

All Saints' Day – for 2019 2 November

Christmas Holidays – 23-26 December

New Year's day – 1 January

Time zones:

Sweden – UTC/GMT +1 hour
Brazil, Brasilia – UTC/GMT -3 hours
Brazil, Manaus – UTC/GMT -4 hours
Brazil, Rio Branco – UTC/GMT -5 hours

Business hours:

Banking hours – Monday-Friday 10.00 am – 4.00 pm
Shopping hours – Monday – Friday 10.00 am – 6.00 pm Saturday 10.00 am - 4.00 pm

Note that these are the most common opening hours, though in most cities commercial establishments are also open on Sundays between 12.00 am and 4.00 pm.

Electric power: Voltage(s) and cycle(s).

Voltage – 230 V
Frequency – 50 Hz
Power sockets Type F

Periods recommended for travel:

Sweden is beautiful both during winter and summer. Tourism is popular during the summertime in the south and up in the north during wintertime. The climate in Sweden is around 20 degrees warm (celsius) in the summer and zero or minus degrees (celsius) in the winter. Hotel prices are normally higher during vacation periods, i.e. during July and the beginning of August as well as during holidays such as Christmas and New Year.

Entry visa:

As a part of the Schengen treaty there is no need for a visa when a Brazilian citizen wants to visit Sweden, this is applicable when the trip is no longer than 90 days. Sweden participates in all Schengen cooperation since March 2001. This means that people can travel freely between member countries of Schengen. The threshold of 90 days is not only when visiting Sweden, it is applicable when visiting all the countries in the Schengen treaty. Hence, it is not possible to travel in to Sweden to stay for 90 days, go to another Schengen country and then go back to Sweden.

Documents that might be requested when visiting Sweden as a tourist:

According to the official website of Department of Immigration in Sweden, the following documents are required for entry into the country:

- Passport: Top Shelf to 90 days the length of intended stay
- Bank statement 450 SEK per person per day, or invitation letter with food security and accommodation of interested during your stay.
- Health insurance / travel insurance: Coverage of € 30,000.00 valid in Schengen countries

Take along a fixed proof of employment in Brazil to show at the control when entering Europe.

Please visit Schengen website: www.schengenvisainfo.com for information regarding which countries that are a part of the agreement.

Vaccines:

Hepatitis A – is possible to get through contaminated food or water in Sweden.

Hepatitis B – is possible to get through sexual contact, contaminated needles and blood products.

Rabies – is present in bats in Sweden. However, it is not found in dogs and is not a major risk for most travellers. It is recommended for travellers who will be involved in outdoor and other activities in remote areas (risk for bat bites) and people who will be working with or around bats (e.g. wildlife professionals and researchers).

Customs and currency:

Requirements and/or restrictions on temporary/business visa holders on entry and exit from the country.

When traveling to Sweden it is possible to bring cash over the border, though the value of the cash cannot exceed the amount of 10 000 Euro. If the value is higher the cash has to be declared to the Swedish Customs, which is done by filing a Cash Declaration Form. These cash rules are the same throughout the EU.

Bibliography

www.nationmaster.com

www.oecd.org

www.tullverket.se

www.business-sweden.se

www.georange.se

www.ec.europa.eu

www.skatteverket.se

www.worldbank.com

www.wto.org

www.euromonitor.com

maketrade.sewww.krav.se

www.fairtrade.se

www.thebrazilbusiness.com

www.portal.siscomex.gov.br

www.scb.se

www.regeringen.se

www.vr.se

<https://www.bertelsmann-stiftung.de/en/home/>

www.saab.se

<https://www2.gov.bc.ca/gov/content/data/statistics>

www.teknikforetagen.se

www.ekonomifakta.se

www.tradingeconomics.com