Sweden
Sverige

Defence Industry Establishment Guide to Sweden



About this guide

This guide is intended for defence and security companies considering an establishment in Sweden. It describes the Swedish defence market, its key actors, rules and permits, funding, and the regional clusters where the defence industry is located.

The guide was commissioned by Stockholm Business Region, Business Region Göteborg, Invest in Skåne and Business Sweden, and prepared by Ramboll Management Consulting. The information reflects the situation in autumn 2026.

Contact

The organisations behind this guide offer companies free support with establishing operations in Sweden.

Business Sweden
https://www.business-sweden.com/invest-in-sweden/

Stockholm Business Region
https://www.investstockholm.com

Business Region Göteborg
https://www.investingothenburg.com

Invest in Skåne
https://investinskane.com/en/invest

Contents

1 A strategic context 6

1.1 NATO membership brings new opportunities 6

1.2 Nordic cooperation alongside NATO 6

1.3 Sweden's rapid rearmament 7

1.4 A Defence Industry Strategy 7

2 Industry and market structure 9

2.1 A rapidly growing industry 9

Employment has grown 10

The largest Swedish exporters of defence equipment 11

2.2 Production capacity is not keeping pace with demand 11

FMV is opening to new suppliers 11

An export market with strong growth potential 12

A track record of export success confirms competitiveness 12

2.3 Sweden's defence-industrial strengths 12

3 Why Sweden? 15

1 A strong, export-oriented and technologically advanced industry 15

2 Access to specialist expertise and talent 15

3 A domestic market growing faster than production can keep up with 16

4 Part of an international ecosystem, not just the Swedish market 16

5 Political consensus provides predictability 16

6 An open and stable market model 17

7 NATO membership opens new channels 17

8 Capital and state co-investment 17

4 How establishment works: process and key actors 19

4.1 Market analysis: understanding how the market works 19

Understanding Försvarsmakten as the end customer 19

FMV signs the contract, Försvarsmakten decides the need 20

The ministries set the framework 22

Flat organisations — decision-making authority is not always clearly defined 22

Company establishment and local presence 22

Business culture in the Swedish defence sector 23

4.2 Contacts and networks 23

Meeting places 24

4.3 Regulatory framework and oversight 25
Permits for manufacturing, supply and export 25
US export controls 26
Environmental, safety and building permits 26
Public procurement: LOU and LUFS 27
Protective security 27
FDI screening 28
Cybersecurity 28
4.4 Putting it together: two paths into the market 29
Using Sweden as a gateway to international value chains 31

5 Innovation and business growth support 33
5.1 Defence innovation: actors and arenas 33
Key government actors 33
5.2 Export support and promotion 35
FMV is the lead agency for export support 35
There are several actors who are involved in export support and promotion 35
Team Sweden 36
5.3 Funding 36
Different funders at different stages 37
A capital market increasingly open to defence investment 38
Government funding for innovation 38
Government funding for growth and production 39
Government funding for exports 39
EU funding 40

6 Where to establish in Sweden: regional clusters 41
6.1 Stockholm: digital technology, space and research 41
Armed Forces and government presence 41
Defence companies 42
Skills, demography and labour market 42
Infrastructure 42
Entry points for companies 44
6.2 Linköping: combat aircraft, secure communications and simulation 45
Armed Forces and government presence 45
Defence companies 45
Skills, demography and labour market 46
Infrastructure 47
Entry points for companies 47
6.3 The Swedish Security Corridor: ammunition, artillery and radar systems 48
Defence companies 49
Skills, demography and labour market 50
Infrastructure 50
Entry points for companies 51

6.4 The Wider Gothenburg Region: R&D, volume production, space and vehicle technology 52
Armed Forces and government presence 52
Defence companies 53
Skills, demography and labour market 53
Infrastructure 54
Entry points for companies 56

6.5 Skåne: underwater systems, sensors and software 57
Armed Forces and government presence 57
Defence companies 57
Skills, demography and labour market 58
Infrastructure 59
Entry points for companies 60

7 Appendix: key actors 61

7.1 Ministries 61

7.2 Government agencies 61

7.3 Industry support 64

8 Further reading and sources 67
Government publications 67
European Union 67
Reports and analyses 67
Useful web sites 68
Abbreviations 69

1 A strategic context

Europe's security environment has changed fundamentally since Russia's full-scale invasion of Ukraine in 2022. The heightened threat posed by Russia prompted Sweden to join NATO in March 2024 and has driven a historic increase in Swedish defence spending. The urgent need to build military capabilities has also transformed the way defence equipment is procured.

1.1 NATO membership brings new opportunities

Sweden has been a close partner of NATO since the 1990s. Interoperability with NATO forces has been a key requirement for Swedish defence equipment since the early 2000s. Sweden has also been a major exporter of defence equipment to NATO member states, including fighter aircraft and combat vehicles. Despite Sweden's previously close relationship with NATO, joining the alliance in 2024 offers several advantages for foreign defence companies establishing operations in Sweden. NATO membership further strengthens the international standing of Swedish companies. A clear example is NATO's selection of Saab's GlobalEye as the Alliance's future Airborne Early Warning and Control (AEW&C) system.

Companies in Sweden can now participate in procurement processes run by NATO agencies such as NSPA and NCIA, which was not possible before Sweden joined NATO. Sweden-based companies can also access NATO standards and certifications. Importantly, Swedish industry can participate in NATO's standardisation work and help shape future standards rather than merely adapting to them.

Sweden is fully integrated into NATO's joint defence planning and is bound by the 2025 Capability Targets, which raise the requirements for Swedish military capabilities. The Swedish Parliament has agreed on future defence spending of 3.5 per cent of GDP, an ambition supported by all parties represented in Parliament.

1.2 Nordic cooperation alongside NATO

Alongside NATO membership, Sweden participates in NORDEFCO, the Nordic framework for defence cooperation established in 2009 by Sweden, Finland, Norway, Denmark and Iceland. With Finland and Sweden now members of NATO, all five participants are allies, bringing the cooperation into closer alignment with NATO's own planning. For suppliers, the most relevant aspect of NORDEFCO is procurement. NORDEFCO has an Armaments Coordination Staff through which member states identify common requirements and initiate joint procurement. A company established in Sweden therefore has a route to four other national markets through the same framework.

Defence Resolutions are intended to cover five-year periods; the current resolution covering 2025–2030. However, rapid changes in the threat environment have tended to shorten the effective lifespans of the Resolutions. For example, in June 2025, all parties represented in Parliament agreed to a significant increase in defence spending less than a year after the current Defence Resolution was adopted.

1.3 Sweden's rapid rearmament

Swedish defence spending has roughly doubled since 2022, creating both immediate and long-term demand for defence equipment. The military defence budget amounted to 2.8 per cent of GDP in 2026 (SEK 175 billion) and is set to reach 3.5 per cent by 2030. This is five years ahead of the timeline set at NATO's Hague Summit in June 2025, where member states agreed to allocate 5 per cent of GDP to defence by 2035, including at least 3.5 per cent for core military spending.

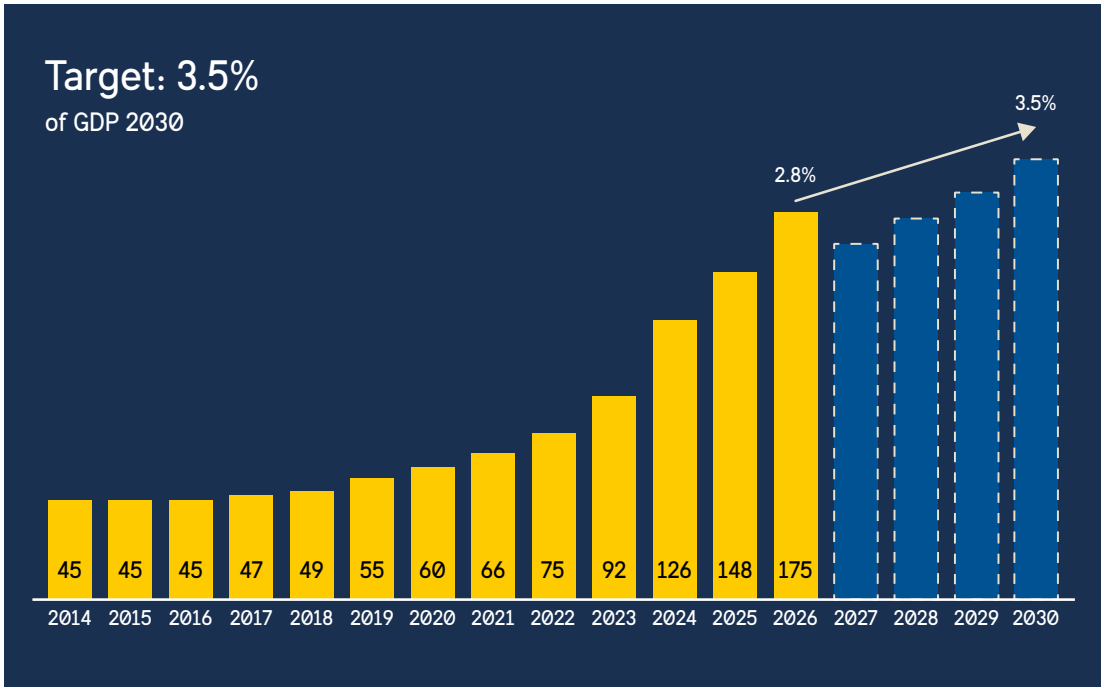


Figure 1. Sweden's military defence budget, 2014–2030 (SEK billion)

1.4 A Defence Industry Strategy

In 2025, the Government published Sweden's first Defence Industry Strategy. The Strategy is structured around three areas:

- **Innovation:** developing new technologies and materiel systems
- **Production:** increasing Sweden's domestic manufacturing capacity
- **Cooperation:** deepening international partnerships, both to export Swedish equipment and to gain access to cutting-edge foreign technology

A key premise of the Strategy is that Sweden, despite its relatively small population, retains a defence-industrial base capable of independently developing and producing advanced systems such as combat aircraft, airborne early warning and control platforms, and submarines. Gripen E, GlobalEye and the A26-class submarine illustrate this capability.

The Strategy is based on the principle that materiel should be procured according to suppliers' actual ability to deliver, with short-term needs in some cases taking priority over

long-term optimisation. As part of this approach, the Government enabled accelerated procurement through so-called opportune purchases of ready-to-deliver equipment worth SEK 25 billion, for delivery in 2026–2028.

The Strategy prioritises four strategic materiel areas in which Sweden intends to build and retain its own long-term capability: combat aircraft systems, the underwater domain, integrity-critical components of command-and-control systems (such as electronic warfare and cryptography), and calibre-specific ammunition.

In the Strategy, the Government states that it expects defence companies to:

- satisfy the capability needs of Försvarsmakten;
- increase production capacity and shorten delivery times;
- invest in innovation, research and development;
- reduce cost growth;
- provide alternatives and promote competition;
- collaborate so that larger prime contractors enable small and medium-sized enterprises and non-traditional defence suppliers to participate in development;
- respond to changing requirements and market opportunities;
- take part in international cooperation and exports;
- assume a reasonable level of financial risk;
- maintain the highest standards of business ethics; and
- secure supply chains and protect technology.



Figure 2. Photo by Patrik Svedberg

2 Industry and market structure

The Swedish defence industry is expanding rapidly. The number of Swedish companies manufacturing and selling military equipment has tripled since 2018, while sales have risen sharply since 2023.

Within this overall growth, sales in the domestic market exceeded exports in 2024 for the first time in more than two decades, largely because subcontractors sharply increased their deliveries to Swedish defence companies. In 2025, exports grew faster again and accounted for just over half of turnover.

2.1 A rapidly growing industry

Turnover in the Swedish defence industry grew by 24 per cent between 2024 and 2025, from SEK 100 billion to SEK 124 billion. Growth extends beyond the largest companies: since 2021, around 50 companies have increased their turnover to more than SEK 100 million.

The Swedish Security and Defence Industry Association (SOFF) has around 500 member companies. However, according to Swedish Defence Materiel Administration's (FMV) supplier register, close to 3,000 companies are active in the Swedish defence market, ranging from large systems suppliers such as Saab to smaller subcontractors working in fields from electronics and mechanical engineering to office services. More than 40 per cent are small and medium-sized enterprises.

The total number of defence companies is difficult to estimate precisely. FMV's supplier register mainly covers companies with a direct supplier relationship with FMV, rather than the full value chain behind them. Subcontractors further down the chain therefore rarely appear in the statistics, even though they account for a large share of the value created.



Figure 3. Photo by Alexander Mahmoud / TT / imagebank.sweden.se

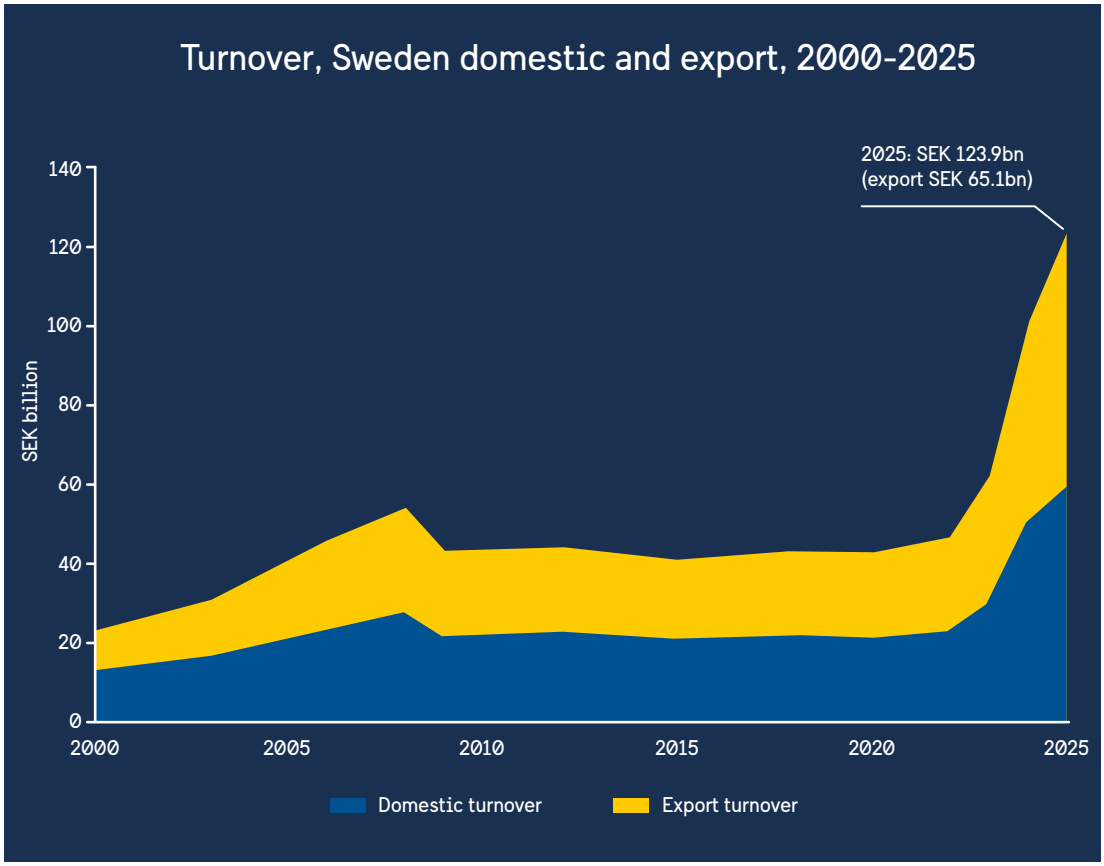


Figure 4. Turnover in the Swedish defence industry, domestic market and exports, 2000–2025. The figures for 2024 and 2025 are exact (SOFF Industry Statistics 2025). Earlier years are illustrative estimates based on the available chart and should be replaced with source data before publication.

Employment has grown

Employment in the defence industry has grown in step with turnover. The number of full-time equivalent employees among SOFF's member companies rose from 28,416 in 2024 to 33,652 in 2025. Exports amounted to SEK 65.1 billion, equivalent to 52.6 per cent of total turnover. SOFF's statistics cover member companies' turnover from defence products, civil security products and defence services. At the same time, companies invested SEK 15.3 billion in research and development.

For a foreign company, this pace of growth signals a market that continues to expand, with room for new suppliers alongside the small number of large, well-established groups.

- **Number of companies:** around 500 (SOFF members)
- **Turnover:** SEK 123.9 billion in 2025
- **Full-time equivalent employees:** 33,652 in 2025

The largest Swedish exporters of defence equipment

The table below presents some of Sweden's largest exporters of defence equipment in 2025.

Company	Principal areas of equipment
Saab AB	Fighter aircraft, AEW&C systems, submarines, surface ships, radar systems, C4I systems, missiles, ground-combat systems, fast assault craft and camouflage systems
BAE Systems Hägglunds AB	Combat vehicles and armoured personnel carriers
Nammo Sweden AB	Advanced ammunition
BAE Systems Bofors AB	Artillery systems, ammunition, naval and air defence guns
EURENCO Bofors AB	Gunpowder and explosives
Scania CV AB	Trucks, buses, engines for combat vehicles submarines
GKN Aerospace Sweden AB	Development and maintenance of aircraft engines
Norma Precision AB	Small-calibre ammunition
Aimpoint AB	Red dot sighting systems
PartnerTech Karlskoga AB	Mechanical components

2.2 Production capacity is not keeping pace with demand

In the Defence Resolution 2025–2030, the Government stated that production capacity across large parts of the defence market was insufficient to meet the rearmament needs of Sweden and its allies, both to develop national military capability and to continue supporting Ukraine. This creates a direct opportunity for new establishments. The Resolution confirms that the state is prepared to enter into long-term commitments with companies to provide predictability over time.

FMV is opening to new suppliers

In 2025, FMV, the agency responsible for Sweden's defence procurement, signed agreements with 145 new suppliers and placed orders worth SEK 90 billion with the industry. This formed part of a broader increase to more than SEK 210 billion in orders between 2023 and 2025. Needs span the entire value chain, and in 2025 FMV opened a dedicated channel for dialogue with the supplier market, with a particular focus on SMEs and non-traditional defence companies. This is consistent with the Government's stated intention in the Defence Industry Strategy to lower entry barriers for smaller and non-traditional defence companies.

As of 2025, a large proportion of the Swedish supplier base was not export-oriented, with many small and medium-sized companies supplying mainly FMV and Försvarsmakten. A broad group of capable subcontractors is therefore not yet fully integrated into international supply chains, making them potential partners for foreign companies.

An export market with strong growth potential

The Swedish defence industry has products that compete successfully across around 60 per cent of the European market for major military systems. Segments include space-ground stations/terminals, air/surface-to-surface missiles, surface-to-air missile, small warships, satellites, large autonomous, tracked combat vehicles, airborne surveillance aircraft, ground-based air defence, EW/SIGINT, torpedoes, C4ISR, fire control systems, radars, fighters, mobile artillery, attack submarines, armour systems and support vehicles.

European rearmament is driving a sharp rise in demand through to 2035. Revenues from Swedish military hardware and civil defence products, a narrower measure than SOFF's total turnover, are projected to increase fivefold, from around SEK 65 billion in 2025 to SEK 330 billion in 2035.

A track record of export success confirms competitiveness

Swedish exports of military equipment amounted to just over SEK 28 billion in 2025, broadly unchanged from 2024. The figure is lower than SOFF's export figure, since it excludes dual-use products, civil security products and services. Just over 80 per cent went to 39 established partner countries. The largest recipient countries were:

- **United States** — around SEK 4.3 billion, making it the single largest recipient
- **Hungary and Brazil** — primarily through exports of the Gripen system

Sweden's export licensing continued to prioritise support for Ukraine in 2025. Forty-seven licences covered state donations of materiel from Sweden to Ukraine, while 24 licences covered commercial sales to Ukraine. The value of commercial sales to Ukraine increased by 16 per cent compared with 2024.

2.3 Sweden's defence-industrial strengths

Sweden's defence industry develops and manufactures advanced systems across a broad range of technology areas. Key strengths include:

Airborne surveillance systems: Saab's GlobalEye is a leading airborne early warning and control system. It has recently been selected by NATO, Canada, France and the Netherlands.

Ammunition: Several Swedish companies manufacture advanced ammunition for international markets. Examples include BAE Systems Bofors' precision-guided artillery munitions Excalibur and BONUS, as well as Nammo's advanced small-calibre ammunition.

Artillery systems: BAE Systems Bofors produces the Archer mobile artillery system, which is used by Sweden, the United Kingdom and Ukraine. The company also supplies internationally competitive 40 mm and 57 mm naval and air-defence gun systems.

Combat vehicles: BAE Systems Hägglunds manufactures the CV90 family of combat vehicles, which has attracted customers across Europe. A CV90-equipped battalion is in service with the Ukrainian Armed Forces.

Command-and-control systems: Saab supplies command-and-control solutions for the air, maritime and land domains.

Cyber and secure communications: Sweden has a specialised industry in encryption and secure communications for classified information, supplying armed forces and authorities across Europe. Examples of companies include Sectra Communications, whose solutions are approved by NATO and the EU up to TOP SECRET level, as well as Advenica and Tutus Data.

Fighter aircraft: Saab's Gripen forms the backbone of the air forces of Sweden, Brazil, the Czech Republic Hungary, South Africa and Thailand. The latest version, Gripen E, has been selected by Sweden, Brazil, Colombia and Ukraine.

Ground-combat systems: Saab Dynamics develops advanced man-portable weapon systems, including Carl-Gustaf and AT4. These systems are used by armed forces worldwide, including the US Army. The anti-tank weapon NLAW played an important role during the initial phase of Ukraine's defence against Russia's full-scale invasion.

Missiles: Saab Dynamics produces the RBS 15 anti-ship missile, contributes to the Taurus KEPD 350 cruise missile and supplies the RBS 70 NG ground-based air-defence system. The company also participates in European programmes for the Meteor and IRIS-T air-to-air missiles.

Radar systems: Saab Surveillance develops a range of advanced radar systems, including the Giraffe family of ground-based air-surveillance and air-defence radars and the Arthur weapon-locating system.

Submarines: Saab Kockums develops and manufactures advanced diesel-electric submarines equipped with Stirling air-independent propulsion.

Space: Sweden is one of a limited number of countries with the infrastructure to launch satellites, through the Esrange Space Center. The Swedish space industry has capabilities across a substantial part of the value chain, including satellite development, propulsion, ground stations and communications.



Figure 5. Photo by Linus Mimietz / Unsplash

3 Why Sweden?

Sweden combines a technologically advanced, export-oriented defence industry with an open procurement model and a domestic market in which demand is growing faster than production capacity. This development rests on broad political consensus. The NATO membership and the current rearmament have support across party lines, giving companies a stable policy environment rather than one that shifts with each change of government. For international companies, this creates a rare entry point: a market where establishing a presence is not only possible but increasingly important for staying close to contracts, partnerships and capacity gaps.

1 A strong, export-oriented and technologically advanced industry

- One of the few countries in the world capable of independently developing and producing combat aircraft, airborne early warning and control systems, and submarines.
- An industry accustomed to international partnerships and integration into global value chains, rather than one focused solely on the domestic market.
- Companies often own their technology, giving them greater freedom to shape partnerships, select international partners and pursue exports.
- A broad civil-technology base—including AI, 5G and telecommunications, autonomous systems, space technology, sensors, advanced materials and software development — with direct applications in defence products.

2 Access to specialist expertise and talent

- Access to specialist expertise is the most frequently cited reason for establishing operations in Sweden.
- Engineers with experience in defence, telecommunications, automotive technology and space.
- Technology-leading companies such as Saab, Ericsson and Volvo have created a substantial pool of expertise and talent.

3 A domestic market growing faster than production can keep up with

- The defence budget more than doubled in four years, rising from SEK 75 billion in 2022 to SEK 175 billion in 2026.
- The Government has stated that production capacity is not keeping pace with demand, creating a direct opportunity for new establishments.
- FMV signed agreements with 145 new suppliers and placed orders worth SEK 90 billion in 2025 alone.

4 Part of an international ecosystem, not just the Swedish market

- Sweden has an unusually broad defence industry relative to the size of its economy. Few markets in Europe bring together as many advanced capabilities in one country, so an establishment in Sweden can provide access not only to business but also to new technologies and innovation.
- Although Sweden's domestic defence market is relatively small, Swedish companies are often integrated into international programmes; establishing operations in Sweden can therefore provide indirect access to NATO and European value chains.
- Swedish prime contractors bring partners into international programmes such as Gripen and CV90 (see section 4.4).
- The most common approach is to establish a specific function rather than an operation serving only the domestic market — for example, to support an ongoing contract, maintain a presence close to the customer or integrate into a supply chain.

5 Political consensus provides predictability

- Swedish defence policy is negotiated through the Defence Commission, a forum in which all political parties represented in Parliament agree on a common direction.
- Five-year Defence Resolutions, adopted by Parliament, establish frameworks for capabilities, spending and the base structure.
- The ambition to reach defence spending of 3.5 per cent of GDP is supported by all parties represented in Parliament, making it unlikely that the commitment will be reversed following a change of government.
- In June 2025, all parties agreed on a further significant increase in spending, less than a year after the current Resolution was adopted, demonstrating that the consensus holds under changing conditions.

6 An open and stable market model

- Competitive procurement, clear rules and high levels of trust create opportunities for new entrants.
- FMV is not required to purchase Swedish products, giving foreign companies open access to Swedish defence procurement.
- Several of Sweden's most important defence-industry facilities have long been foreign-owned, including BAE Systems Hägglunds (British), Eurenco (French) and Nammo (Norwegian).

7 NATO membership opens new channels

- The NATO membership has opened new opportunities, such as providing NATOs airborne early warning and control system.
- Access to NATO standards and the ability to influence future standardisation rather than to just follow i.t
- Opportunities to participate in NATO foresight studies and development projects.

8 Capital and state co-investment

- A well-functioning capital market with substantial venture-capital activity, among the most active in Europe on a per-capita basis.
- A state that is moving beyond its role as a customer by co-financing production capacity and making accelerated, so-called opportune purchases.
- Access to EU defence funding (EDF, EDIP) for entities established in the EU, subject to rules on control by non-EU countries.



Figure 6. Photo by Miriam Preis / Image Bank Sweden

4 How establishment works: process and key actors

Establishing a presence in the Swedish defence market requires companies to address three areas:

- Market analysis: understanding the Swedish defence market, its customers, the procurement process and business culture.
- Contacts and networks: building relationships with relevant stakeholders and establishing a presence in the market.
- Regulatory framework and oversight: addressing protective security, export controls and other regulatory requirements.

4.1 Market analysis: understanding how the market works

The defence market differs from other markets because of its political framework, long time horizons and stringent security and reliability requirements. It is shaped less by price and commercial trends than by the security environment, political priorities and operational needs. The Swedish defence market relies to a significant degree on trust-based relationships and longevity weighs in heavy when assessing acceptable dependencies and partnerships. Understanding how the market works is the starting point for important decisions, including where in the country to locate operations and which relationships to build.

Understanding Försvarsmakten as the end customer

The Swedish Armed Forces – Försvarsmakten – is the end customer for materiel and services procured for Sweden's defence. It is an independent government agency under the Ministry of Defence. The organisation has around 26,000 employees, as well as reservists, conscripts and various categories of part-time officers and soldiers. Försvarsmakten comprises the Armed Forces Headquarters in Stockholm; the Army, Navy and Air Force; and the Home Guard. In recent years, the service branches have been given greater authority to determine their equipment needs.

Försvarsmakten formulates the capability requirements and technical specifications for acquisitions. Understanding who will use a product and which need it addresses is therefore essential when deciding how to build relationships and establish a presence in Sweden.

Försvarsmakten operates across the whole country, from north to south. Defence companies therefore need to build relationships with the military units that use their products in order to understand what is needed and why.

FMV signs the contract, Försvarsmakten decides the need

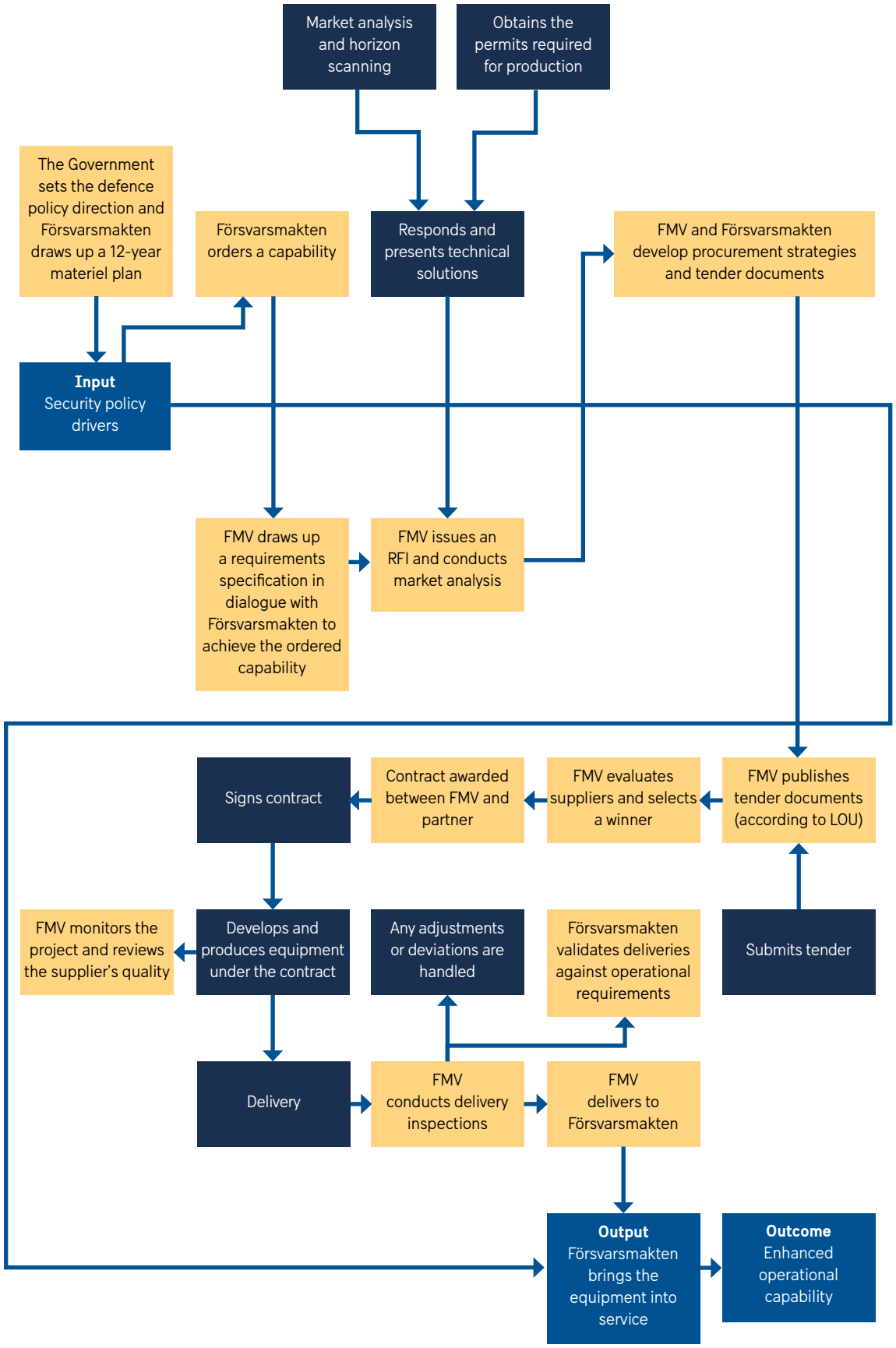
Försvarsmakten does not purchase defence equipment directly. Instead, it submits its requirements to the Swedish Defence Materiel Administration (FMV), which conducts the procurement. Companies sign contracts with FMV, but Försvarsmakten's stated capability requirements determine what is procured. Building a strong relationship with FMV therefore does not replace the need to understand the end customer.

FMV publishes a Procurement Plan to enhance transparency regarding future defence needs. It aims to provide suppliers and partners with improved forward visibility.

Defence procurement follows a specific legal framework rather than the standard public-procurement rules. Section 4.3 examines this framework in full, including the exemption that may apply to Sweden's four strategic materiel areas.

In addition to defence-equipment procurement conducted through FMV, Försvarsmakten purchases supplies, transport and logistical support for its day-to-day operations through its own logistics organisation, FMLOG. Companies whose products are delivered directly to military units may therefore, in some cases, engage with Försvarsmakten's purchasing channels rather than solely through an FMV procurement process.

Figure 7. Procurement process. Source: SOFF





Other government agencies in the Swedish defence sector also conduct procurement:

The Swedish Fortifications Agency (Fortifikationsverket, FORTV) manages the defence estate, including built assets such as airfields, naval bases, headquarters, barracks and depots, as well as land used for training and testing. The defence estate is expanding rapidly.

The National Defence Radio Establishment (FRA) is Sweden's national signals intelligence authority. FRA is also responsible for coordinating national cybersecurity.

The ministries set the framework

The Government and its ministries govern the agencies that companies encounter in practice, including FMV and Försvarsmakten, through budgets, legislation and formal instructions. Companies do not normally negotiate or sign contracts directly with a ministry; contracts are instead concluded with the subordinate agencies. Because the Government takes decisions collectively, individual ministers have limited decision-making authority.

The Ministry of Defence leads Swedish defence and defence-industry policy. It is responsible for budgets, legislation and strategies for total defence, and directs subordinate agencies such as Försvarsmakten, FMV, FOI and FRA.

The Ministry for Foreign Affairs (UD) is responsible for Sweden's foreign policy, including international trade and export regulation. The Inspectorate of Strategic Products (ISP), which issues export licences for military equipment and dual-use items, operates under the Ministry. The Ministry manages diplomatic relations connected with defence transactions, participates in export-promotion activities and contributes to the Export Control Council, where foreign-policy considerations are weighed in export-licensing decisions. The Ministry is primarily relevant to companies in transactions requiring government support or intergovernmental agreements.

Flat organisations — decision-making authority is not always clearly defined

Swedish organisations are often characterised by flat structures and less clearly defined hierarchies than those found in many other countries. Traditional chains of command are downplayed in favour of the principle of "freedom with responsibility", which can make it difficult for external parties to identify where decision-making authority lies within the customer organisation. This applies to both Försvarsmakten and FMV. Experienced market participants consider navigating these structures a greater challenge for foreign companies than identifying the appropriate technical expertise.

Company establishment and local presence

The type of local presence required depends on the company's product and its role in the value chain. A sales or business-development office is not subject to any specific location requirement, as dealings with FMV, the formal procuring authority, can largely be managed from anywhere in Sweden. Location may therefore be determined by factors such as access to expertise, costs or proximity to other parts of the business. Once a company supplies products used by Försvarsmakten, however, a presence closer to the end user becomes more important for maintaining customer relationships, as military units are dispersed across the country.

Business culture in the Swedish defence sector

Swedish business culture within the defence sector is relationship-driven and trust-based. The sector is small and closely connected, and opening an office is rarely enough: companies need local partners, networks and a physical presence in the right forums. Initial dialogue is relatively easy to establish, but building credibility takes time. Business processes may appear slower than in other countries, as they are largely built on established relationships rather than individual transactions. Once a relationship is established, however, it tends to be stable and long-lasting. This contrasts with the more product-centred sales culture found in some other countries.

Trust with Försvarsmakten, FMV and industry partners is built through transparency about the company's intentions and a genuine interest in the customer's underlying needs, rather than by presenting a finished solution. Organisations are typically flat and consensus-oriented, and technical credibility carries considerable weight. Since Russia's full-scale invasion of Ukraine in 2022, security of supply and ties with allied countries have gained weight in purchasing decisions. Price and performance are no longer enough on their own: buyers also want to know that a supplier can deliver in a crisis and comes from a country with close ties to Sweden.

4.2 Contacts and networks

Several organisations can provide practical support during establishment, in addition to the direct dialogue with FMV and Försvarsmakten described above.

The Swedish Security and Defence Industry Association (SOFF) is the largest business association for defence companies, representing around 500 companies, including approximately 250 SMEs and 70 start-ups. SOFF provides a valuable network, organising around 60 business-to-business events each year, 20 of them in English. Together with FMV, SOFF also organises International Suppliers' Day and Defence Expo Sweden.

Swedish SME Defence (SME-D) is an industry association for small and medium-sized defence companies in Sweden, focused on accelerating innovation and strengthening the delivery capabilities of SMEs in total defence. Smaller defence and dual-use technology companies can use SME-D to gain visibility, build contacts with larger industrial companies and government agencies, and develop a collective voice in dialogue with decision-makers.

Business Sweden, together with regional investment-promotion organisations such as **Stockholm Business Region (SBR), Business Region Göteborg (BRG) and Invest in Skåne,** supports foreign companies entering the market and establishing operations in the respective regions. Municipal business-development functions provide further support at the local level, particularly in municipalities with an established defence-industry presence.

Chambers of commerce offer membership networks, events and practical business services. The Stockholm Chamber of Commerce, for example, provides advisory services for members, free advice on international growth for SMEs through the Enterprise Europe Network, and escrow services for source code and contracts. It also hosts the SCC Arbitration Institute, which is often used for dispute resolution in commercial contracts.

Meeting places

Several recurring events bring together companies, government agencies and decision-makers in the Swedish defence and security sector and provide efficient opportunities to build visibility and contacts:

- **Almedalen Week** is Sweden's largest annual political forum. Held in Visby each summer, it attracts tens of thousands of visitors and hosts more than 3,000 events. Defence and security policy features alongside the wider political agenda, with more than 400 related events in 2026.
- **Defence Expo Sweden**, organised jointly by SOFF and FMV, is a closed-door forum for dialogue between companies and decision-makers, primarily representatives of FMV and Försvarsmakten. It gives foreign companies an opportunity to present their products to FMV. Unlike a traditional trade fair, it is not open to the public and is not primarily intended for commercial transactions. Its purpose is to build mutual understanding: government representatives gain insight into new products and industry developments, while companies gain a clearer picture of Försvarsmakten's capability needs.
- **Folk och Försvar's National Conference (Rikskonferensen)** is Sweden's foremost forum for debate on security policy, defence and civil preparedness. It is organised by Folk och Försvar, an organisation representing broad sections of civil society. The conference brings together around 350–400 participants over three days each January in a ski resort in Sälen, including politicians and representatives of civil society, Försvarsmakten, government agencies and industry. Attendance is by invitation only.
- **International Suppliers' Day**, organised twice a year by SOFF and FMV, is aimed at foreign companies seeking to sell to FMV or Swedish prime contractors (OEMs), particularly those without a local office, partner or distributor in Sweden. It is not an exhibition: the programme consists of seminars, business-to-business meetings and company pitches, with government officials presenting procurement plans and companies networking directly with potential partners.
- **National Defence Expo** is a total defence event that brings together stakeholders from civil and military defence. It is held alongside SKYDD, the Nordic region's largest security trade fair, at Stockholmsmässan.
- **Navy Tech and Seabed Defence** is an annual conference and exhibition on naval and subsea technology in Gothenburg, organised by Navy Leaders. Recent editions have included a harbour protection challenge in the Port of Gothenburg, run with the multinational Seabed Security Experimentation Centre (SeaSEC).
- **Swedish Security Forum** is a two-day, invitation-only forum organised by SOFF. It brings together around 130 policymakers, experts and business leaders to discuss security policy, resilience and defence.
- **UAS Forum Sweden** is Sweden's longest-running conference on drones and unmanned and autonomous systems. It has been held since 2015 and is organised by Västervik Drone Science Park.

4.3 Regulatory framework and oversight

Defence companies must address several essential legal frameworks, covering various kinds of permits, procurement, protective security, foreign direct investment and cybersecurity.

Permits for manufacturing, supply and export

Swedish law distinguishes between three types of permits issued by ISP. Depending on its activities, a company may require all three:

- **Manufacturing**: manufacturing military equipment in Sweden, including parts and components, requires a manufacturing permit.
- **Supply**: selling, leasing, offering for sale, lending, donating or brokering military equipment requires a supply permit (tillhandahållandetillstånd). This requirement applies to transactions involving buyers in Sweden and abroad.
- **Export**: each export of military or dual-use equipment from Sweden, including the provision of technical assistance, requires a separate export licence. Applications are assessed against the Swedish export-control guidelines, the EU Common Position on arms exports and the UN Arms Trade Treaty. In particularly significant cases, ISP consults the Export Control Council (Exportkontrollrådet).

A company that sells exclusively in Sweden therefore does not require an export licence, although it may still need manufacturing and supply permits.

The rules were amended in August 2026. Subcontractors that manufacture products to a customer's specifications, rather than developing their own products for the wider market, may now be exempt from the permit requirement. The export-control guidelines also allow ISP to take into account the defence needs of Sweden's allies, rather than only those of Sweden.

The processing time of permits can be long. Obtaining the necessary permits from ISP when needed is very much based on the company being proactive, rather than reactive. Dual-use items are regulated separately under the EU Dual-Use Regulation, and their export also requires a licence from ISP.

US export controls

Products incorporating US-origin content should be considered to also be subject to US export controls when re-exported. Two principal regulatory regimes apply:

- **ITAR**: the International Traffic in Arms Regulations govern defence articles, defence services and related technical data listed on the US Munitions List. There is not minimum threshold: a product containing any ITAR-controlled component requires US authorisation for re-export, irrespective of the component's value or proportion of the finished product.
- **EAR**: the Export Administration Regulations govern other US-origin items, primarily dual-use goods and certain military components. A foreign-made product may be subject to the EAR if its controlled US-origin content exceeds a specified share of the product's value. For most destinations the threshold is 25 per cent, while a lower threshold of 10 per cent applies to a few embargoed countries. For some military components and destinations, such as China and Russia, no threshold applies.

A product may therefore require both Swedish and US export authorisation. US rules may also restrict access to US-controlled technology based on an employee's nationality.

Environmental, safety and building permits

Companies that manufacture in Sweden may also need permits that are not specific to the defence sector but apply to industrial activity in general. Environmentally hazardous activities are classified under the Environmental Code and the Environmental Assessment Ordinance according to their scale: the largest activities require a permit from the Land and Environment Court, medium-sized activities require a permit from the county administrative board's environmental review delegation, while smaller activities only need to be notified to the municipality. A new or altered production facility will normally also require a building permit from the municipality under the Planning and Building Act.

Companies that manufacture, handle or store explosives, propellants or other hazardous substances in significant quantities may also be subject to the Seveso legislation, which aims to prevent major accidents. The Seveso legislation requires a safety-management system and, above a higher threshold, a full safety report. Oversight rests with the Swedish Civil Defence and Resilience Agency (MCF), together with the county administrative board and the municipal rescue service. In parallel, the Act on Flammable and Explosive Goods (LBE) requires a permit to manufacture, store or handle explosive or flammable goods above certain thresholds. This permit is normally issued by the municipal rescue service, while MCF handles certain categories of explosives and is responsible for national oversight.

For a company planning to manufacture ammunition, propellants or other energetic materials in Sweden, these permits should be planned for early. The environmental and Seveso permitting processes can take considerably longer than the manufacturing permit from ISP described above, and a facility's exact location can affect which of these permits apply.

Public procurement: LOU and LUFS

Procurement by Försvarsmakten and FMV is governed by public-procurement principles derived from EU law. The general legislation is the Public Procurement Act (LOU), while procurement in the defence and security sector is regulated by the Act on Defence and Security Procurement (LUFS), which implements the EU Defence and Security Procurement Directive.

A key provision of LUFS allows member states to exempt procurement from EU rules when necessary to protect essential national security interests. Sweden has identified four strategic materiel areas in which this exemption may apply: combat aircraft systems, the underwater domain, calibre-specific ammunition, and integrity-critical components of command-and-control systems, including cryptography, sensors and electronic warfare. In these areas, FMV may award contracts directly without conducting a competitive tender.

Protective security

Protective security comprises preventive measures to protect the security-sensitive activities of public agencies and companies against espionage, sabotage, terrorist offences and other crimes that may threaten their operations. The Protective Security Act applies to both public and private entities. Companies conducting security-sensitive activities must carry out a security analysis and appoint a protective security manager. The Act also regulates information security, physical security and personnel security.

Försvarsmakten issues protective-security regulations that apply to defence companies. Since July 2026, FMV is the supervisory authority for defence companies' compliance with these regulations.

When government procurement involves classified information or gives a supplier access to security-sensitive activity, a protective security agreement (SUA) must be established with the supplier. The agreement covers physical security, personnel security and information security, and determines which employees are placed in a security class. The requirement cascades down the supply chain: a prime contractor must enter into an equivalent agreement with any subcontractor before granting access to security-sensitive activity.

Unlike most NATO countries, Sweden does not have a domestic personnel-security-clearance system. Personnel participating in security-sensitive activities must undergo security vetting for each new contract or collaboration. The individual company bears primary responsibility for the vetting, while government agencies conduct record checks. A government inquiry has been launched to consider whether Sweden should establish a security-clearance system with a central government agency for security vetting.



For international security clearances involving companies established in Sweden, FMV acts as the Designated Security Authority (DSA) and may issue clearances at the request of a foreign state or international organisation. Two types of security clearance are available:

- **Facility Security Clearance (FSC)** — a certificate confirming that a company holds a Level 1 protective security agreement with FMV and is therefore authorised to handle and store security-classified information on premises approved by FMV.
- **Personnel Security Clearance (PSC)** — a certificate confirming that an individual is authorised to access security-classified information.

FDI screening

Investments in defence industries is subject to the Act on the Screening of Foreign Direct Investments. An investment in a Swedish protection-worthy activity must be notified to the Inspectorate of Strategic Products (ISP) if it gives the investor a specified degree of influence, regardless of whether the investor is Swedish or foreign. The investment may not be completed until ISP has approved it or closed the matter without action. The screening system covers organisations engaged in the manufacture, development or provision of military equipment, research relating to such equipment under the Military Equipment Act (1992:1300), or the provision of technical support for it.

Cybersecurity

The Cybersecurity Act implements the EU's NIS2 Directive and applies to medium-sized and large entities operating in 18 sectors. Although defence is not designated as a separate sector, defence companies may fall within the scope of the Act through activities in areas such as digital infrastructure, ICT service management, space, manufacturing, digital services and research. Entities covered by the Act must notify the National Cybersecurity Centre (NCSC), implement appropriate cybersecurity risk-management measures and report significant incidents to the relevant national authorities. Supervisory responsibility is divided among several authorities according to sector. Non-compliance may result in penalties of up to EUR 10 million or 2 per cent of global annual turnover. For foreign suppliers, this means that, depending on their size and activities, cybersecurity requirements may constitute a statutory obligation rather than merely good practice.

4.4 Putting it together: two paths into the market

Companies can enter the Swedish defence market through several routes. Some sell directly to Försvarsmakten and FMV, while others operate as subcontractors, contract manufacturers or specialist suppliers. Some focus exclusively on the domestic market, whereas others pursue international business from the outset. Regardless of the route, the ultimate customer — whether in Sweden or abroad — is an armed force or another defence-related agency. A Swedish prime contractor can therefore be both a customer and a gateway to programmes in other countries. Cooperation often extends beyond a single transaction to include joint development, technology transfer, licensing and production across several countries.

The figures on next page illustrate two routes into the market:

- **Prime contractor (systems supplier)**: a company that delivers a complete system directly to FMV and Försvarsmakten and assumes overall responsibility for it.
- **Subcontractor or partner**: a company that supplies a component, technology or service to a prime contractor rather than directly to FMV or Försvarsmakten.

Each figure should be read as a set of building blocks rather than as a fixed sequence. A company may move between the steps and revisit earlier ones as its role or offering evolves, and not every step will apply in every case. Other types of company, such as contract manufacturers or specialist suppliers, navigate the same landscape but may place greater emphasis on different steps.

Becoming a main supplier (systems supplier) in Sweden

#1
Find your niche in the value chain

- Understand the end customer's needs
- Clarify what you deliver and your value-chain role
- Choose your location based on need

#2
Build visibility and contacts

- Join SOFF
- Build contact with Business Sweden and regional promoters such as Stockholm Business Region, Business Region Göteborg and Invest in Skåne
- Take part in industry meeting points

#3
Meet qualification and security requirements

Permits, protective security, investment screening and cybersecurity requirements apply.

Manufacturing permit (ISP) | **Protective security** (FMV) | **Investment screening** (ISP) | **Cybersecurity**

Other permits: environmental, LBE, building permit and Seveso

#4
Take part in procurement with FMV

- Submit tenders under LUFS
- Some strategic areas allow direct award without a competitive tender

Becoming a subcontractor or partner to a Swedish main supplier

#1
Find your niche in the value chain

- Understand the end customer's needs
- Clarify what you deliver and your value-chain role
- Choose your location based on need

#2
Build visibility and contacts

- Join SOFF
- Build contact with Business Sweden and regional promoters such as Stockholm Business Region, Business Region Göteborg and Invest in Skåne
- Take part in industry meeting points

#3
Meet qualification and security requirements

Permits, protective security and cyber-security rules apply.

Manufacturing permit (ISP) | **Protective security** (FMV) | **Investment screening** (ISP) | **Cybersecurity**

Other permits: environmental, LBE, building permit and Seveso

#4
Dialogue and qualification with the main supplier

Register as a supplier and pass their audit process.

Using Sweden as a gateway to international value chains

Major defence contracts often include industrial-cooperation arrangements in the customer country, while Swedish prime contractors operate supply chains spanning multiple markets. Colombia's 2025 order for 17 Saab Gripen E/F aircraft, for example, included industrial-cooperation agreements. Gripen aircraft have also been produced in Brazil since 2026 through a Brazilian and international supply chain. BAE Systems Hägglunds manufactures the CV90 at eleven sites across Europe, while five countries are preparing a joint procurement of at least 500 vehicles.

Sweden also collaborates with its allies on joint development and procurement. Support from the European Defence Fund requires consortia involving at least three countries, which puts companies established in Sweden in a strong position to participate in European cooperation (see section 5.3). For subcontractors and partners based in Sweden, participation in these programmes can create business opportunities across several countries simultaneously.



Figure 8. Photo by Magnus Rietz

5 Innovation and business growth support

Once established, companies can draw on a wider range of resources to grow in the Swedish market. This chapter covers three areas:

- Innovation, pilots and testing: using Sweden's innovation infrastructure to demonstrate and develop the company's solutions.
- Export support and promotion: using Swedish export support when selling onwards from Sweden.
- Funding: identifying sources of capital and relevant financing instruments.

5.1 Defence innovation: actors and arenas

Sweden reclaimed first place in the European Commission's 2025 European Innovation Scoreboard, ranking as the EU's most innovative country ahead of Denmark. Defence innovation is increasingly at the forefront of this broader strength: Sweden already has one of Europe's most capable innovation systems and is now building dedicated structures to accelerate the path from a defence-related idea to a contract.

Key government actors

Two government agencies are central to Sweden's defence innovation ecosystem, alongside FMV and Försvarsmakten.

Vinnova
Sweden's innovation agency funds research and development. On behalf of the Government, Vinnova has run the Civil-Military Innovation Programme (CMIP) together with Försvarsmakten since 2024. It is relevant to companies with innovative technology that has potential defence applications, offering funding, accelerator programmes and networks that can help bring the technology into total defence.

FOI (Swedish Defence Research Agency)
A governmental R&D agency with a broad defence and security remit, delivering research and technology development to Försvarsmakten, FMV and other authorities. FOI also has a mandate to support defence exports and collaborates with industry across its core research areas, including aeronautics, underwater technology, sensors, electronic warfare and information security. Companies can collaborate with FOI on research projects to draw on its expertise and test resources. FOI's network also provides access to broader innovation programmes and can help validate technology for use by Försvarsmakten.

In July 2026, the Government instructed Försvarsmakten to establish a joint function for defence innovation together with FMV, FOI and Vinnova, with Försvarsmakten as the host authority. The function is intended to create a clear structure for collaboration between military units and service branches on the one hand, and industry, international partners, innovation offices and incubators on the other. FMV, FOI and Vinnova each contribute expertise within their respective mandates. FMV also runs its own contact point for companies and has begun piloting new procurement models aimed specifically at innovation. One example is a pre-commercial procurement pilot for small unmanned ground vehicles, launched in 2026 in cooperation with Försvarsmakten, Vinnova and FOI.

Defence xLab, launched in 2026 at Lindholmen Science Park in Gothenburg, is a national arena for civil-military innovation, built in direct cooperation with Försvarsmakten's newly established innovation unit. Its explicit aim is to cut the time from an identified need to an operational solution to under one year. The initiative is backed by the Västra Götaland Region and led by Lindholmen Science Park together with Innovatum Science Park and Science Park Skövde.

NATO's DIANA programme: Sweden also hosts an accelerator site within NATO's Defence Innovation Accelerator for the North Atlantic (DIANA). LEAD, based in Linköping and Norrköping, was appointed by NATO in May 2026 and can host up to ten NATO-affiliated companies per year, giving them access to business coaching, test environments, academic expertise and contacts with both the defence industry and relevant government agencies. Sweden has also proposed additional facilities as candidate DIANA test centres, including MAX IV in Lund, the Marine Technology Center of Sweden, RISE, and a joint proposal from the Swedish Space Corporation, the Institute of Space Physics and Luleå University of Technology.

FMV Test and evaluation sites: FMV operates several qualified test and evaluation sites across the country, each specialising in a particular domain: Vidsel in Norrbotten, northern Europe's largest overland test range, is used for air-to-air, air-to-ground and electronic-warfare testing of both Swedish and international systems; Karlsborg and Älvdalen are used for ground-combat systems and ammunition; Skövde for vehicle testing; Linköping for flight testing, including successive versions of Gripen; and Karlskrona and Härnösand for naval systems. Test capacity not required by FMV or Försvarsmakten is made available to other authorities and companies in Sweden and abroad, giving foreign companies a route to independent verification and validation of their systems.

Battle Week is a recurring test and demonstration event organised by FMV. Companies demonstrate how their products and services can strengthen military capabilities by addressing operational challenges. Working alongside end users and experts, they test and demonstrate their solutions at FMV's test and evaluation sites.

RISE (Research Institutes of Sweden) operates more than 130 test and demonstration facilities across the country, spanning a wide range of technology areas, from large-scale test tracks to virtual test environments. The facilities are open to companies of all sizes, including SMEs. RISE also maintains a dedicated research area for total defence and crisis preparedness. This complements FMV's defence-specific sites with broader, cross-sector testing infrastructure that companies can draw on at any stage of development.

5.2 Export support and promotion

The Swedish Government supports defence exports as a means of sharing equipment-development costs with other countries. Export support aims to support business deals that can have a clear value for the Swedish defence. Export promotion refers to a more general and long-term business promotion that is will not necessarily create value for the Swedish defence.

FMV is the lead agency for export support

FMV is the lead agency for defence export support and handles applications from Swedish companies seeking various forms of government assistance. Support is available only where the proposed export is expected to benefit Sweden's defence. Activities are undertaken by FMV or, at its request, by another government agency. Most support is provided by Försvarsmakten, which may, for example, act as a reference customer, provide access to training areas or demonstrate equipment.

Export support needed beyond and above FMV priorities are carried out by other support actors, including Business Sweden.

FMV also represents the Swedish state in government-to-government defence exports. For example, it is responsible for government contracts with the Czech Republic, Hungary and Thailand relating to the Gripen fighter aircraft.

Several actors are involved in Export support and promotion

There are several actors who are involved in export support and promotion

- **The Ministry of Foreign Affairs** has a central role in export promotion. There is a special ambassador to coordinate promotion of defence exports. Embassies and consulates carry out export promotion locally, often in cooperation with Business Sweden. Some embassies have defence attaches with special knowledge in the field.
- **The Ministry of Defence** has an important role in promoting defence exports through its bi- and multilateral external relations, for example through Memorandums of Understanding. The Ministry also instructs FMV in their role in export promotion.
- **Business Sweden** is Sweden's trade and investment council, jointly owned by the state and the business sector. It is represented in about 40 markets and has over 500 employees with deep knowledge about local business culture who assist Swedish companies to increase their exports.
- **The Swedish Institute (SI)** coordinates the broader Sweden brand internationally.

Team Sweden

Team Sweden is the Government's overarching framework for coordinating export and investment promotion, bringing together government agencies, state-owned companies, regional actors and industry. In practice, Business Sweden leads trade and export promotion. Team Sweden currently has no dedicated defence and security track. A 2026 government inquiry proposed establishing Team Sweden Defence & Security, recognising that several actors within the existing structure lack the specialist knowledge needed to support the defence market. The inquiry proposes reinforcing Sweden's missions in Berlin, Brussels, Kyiv, London, Ottawa, Paris, Warsaw and Washington with defence-industry attachés in embassy defence departments and defence-promotion officers in trade departments, alongside dedicated funding for Business Sweden and the Swedish Institute. This remains a proposal under government consideration and has not yet been enacted.

5.3 Funding

In the defence market, costs arise long before revenue. Development, verification, security requirements and lengthy procurement processes mean that a company may have to bear costs for several years before a contract generates income. The defence industry is capital-intensive, while political and commercial factors create significant barriers to entry for new companies.

The funding available to a foreign company in Sweden depends on both its financing needs and the form of its local presence. Private capital is generally accessible to all companies. Most government funding instruments and EU programmes, however, require a Swedish subsidiary, a link to Swedish exports or cooperation with companies established in the EU. Establishing a legal entity in Sweden therefore gives a foreign company access to a wider range of funding sources than merely selling into the Swedish market.

Table 1. Funding by need and eligibility requirements. Own compilation.

Need	Where to turn	What is offered	Requirements for a foreign company
Capital for development, growth or acquisitions	Investors, banks and the stock market	Equity and loans	No formal requirements
Developing technology for military needs	Vinnova, Försvars-makten and FMV	Grants, accelerator programmes and testing	Operations in Sweden
Increasing production capacity	Tillväxtverket	Grants for feasibility studies and production development	Operations in Sweden
Financing export transactions	EKN and SEK	Guarantees and loans	A connection to Swedish exports
Research, development and production through European cooperation	EU programmes (EDF, EDIP and EUDIS)	Grants	An entity established in the EU or Norway, not controlled from outside them unless guar-antees are approved

Different funders at different stages

Funding patterns among Swedish defence and security companies evolve as companies progress through different stages of development.

- At the early stage, funding is provided mainly by public-sector actors and universities.
- Vinnova awards grants, and Almi Företagspartner provides loans. Almi Invest provides equity and quasi-equity up to series A, always together with private investors, and Industrifonden invests venture capital. EU rules for the Regional development fund that co-finances Almi Invest may, however, limit its investments in defence. Saminvest invests indirectly through private venture-capital funds. University holding companies, accelerators and business angels also help new companies establish and develop their businesses.
- During the growth phase, private venture-capital firms play a more prominent role. Nordic investors tend to dominate smaller funding rounds, while foreign investors account for an increasing share as the size of the rounds grows.

Mature companies typically raise finance through public equity markets, banks and institutional investors such as pension funds and asset managers. Industrial ownership is also important, with defence companies acquiring other businesses and consolidation continuing among smaller defence groups.

A review of funding rounds involving Swedish companies in security, robotics, space, semi-conductors and telecommunications between 2020 and 2026 supports this pattern. Defence and dual-use companies attracted roughly one tenth of total venture capital, although their share increased markedly in 2026. Public-sector actors participated in around one in four funding rounds, typically through grants or at an early stage. Co-investment by public and private actors remained uncommon. In practice, public and private capital therefore tend to enter at different stages, potentially creating a funding gap between grant-supported development and privately financed growth.

Foreign-investor participation is increasing, rising from fewer than one in five funding rounds in 2020 to around one in three. To date, Swedish defence and dual-use companies have relied primarily on smaller early-stage venture-capital firms, including Navigare Ventures, Fairpoint Capital and Foundry Ventures, as well as university holding companies. The gap is not unique to defence. Other companies with large investment needs before generating revenue face the same challenge, as demand for capital exceeds public equity budgets and investors with sufficiently large capital often consider the risk too high. This is a European as well as a Swedish phenomenon.

Venture capital for defence technology has historically been scarce in Sweden. According to Danske Bank's Nordic Defence Tech Report 2025, Sweden attracts less defence-related venture capital per capita than Finland, Denmark and Norway. This is beginning to change,



however, as a growing number of investors develop a dedicated focus on defence:

- In 2026, the NATO Innovation Fund made its first investment in Sweden, backing communications company TERASi.
- Keen Venture Partners, backed by the European Investment Fund, invests in defence and security technology across European NATO member states.
- New Swedish funds such as Gungnir Capital, launched in 2026, and Front Ventures invest exclusively in defence technology.
- Private individuals with backgrounds as entrepreneurs or in Försvarsmakten have increasingly started to invest in Swedish defence companies.

For foreign companies, these developments create opportunities for both investment and strategic partnerships. Emerging Swedish defence companies are seeking capital and partners to support their next stage of growth, while consolidation continues among smaller defence groups.

A capital market increasingly open to defence investment

For many years, sustainability criteria and banks' internal policies constrained access to finance for defence-related activities. This is now changing:

- In 2025, the European Commission clarified that the EU's sustainable-finance framework does not prevent investment in the defence industry.
- Banks and asset managers have made more investment funds available to the conventional defence industry.
- In its 2025 Defence Industry Strategy, the Swedish Government identifies access to capital as a prerequisite for company growth and sets out its intention to strengthen cooperation between the capital market and defence companies.

The European Investment Bank (EIB), its subsidiary the European Investment Fund (EIF) and the Nordic Investment Bank (NIB) can also provide complementary financing, mainly in the form of loans.

Government funding for innovation

Government innovation funding focuses mainly on developing civilian technology with military applications. The Civil-Military Innovation Programme (CMIP), run jointly by Försvarsmakten and Vinnova, has received SEK 120 million per year since 2025. The Military Innovation Programme (MIP), coordinated by FMV, identifies civilian technologies of potential interest to Försvarsmakten. The innovation system is described in section 5.1.

Government funding for growth and production

The Government intends to increase the defence industry's production capacity. The 2026 budget also allocates funding to establish an office for defence-industrial establishment and cooperation.

Key actor: Tillväxtverket

Tillväxtverket (the Swedish Agency for Economic and Regional Growth) runs calls that support defence companies in expanding their industrial capacity, including funding for feasibility studies, and is developing a programme to modernise defence manufacturing.

When relevant: If the company has, or is planning, production in Sweden. Calls change over time, so companies should consult Tillväxtverket's website for current information.

Government funding for exports

Key actors: EKN and SEK

EKN (the Swedish Export Credit Agency) insures Swedish exports against the risk of non-payment by the buyer. SEK (the Swedish Export Credit Corporation) provides loans for export transactions. A transaction guaranteed by EKN will normally qualify for more favourable loan terms from SEK. Both require a connection to Swedish exports and do not apply to sales in the Swedish market.

When relevant:

The company exports directly: if it has a Swedish subsidiary or branch that sells to customers in other countries.

The company is a subcontractor: if a Swedish company exports a product containing the company's components. The exporter can then use EKN and SEK for the entire transaction.

The company is a buyer: if it purchases Swedish defence materiel. It may then obtain a loan from SEK on better terms, provided that EKN guarantees the transaction.

EU funding

EU programmes become relevant once a company has established an entity in Sweden or another EU country, or cooperates with European companies:

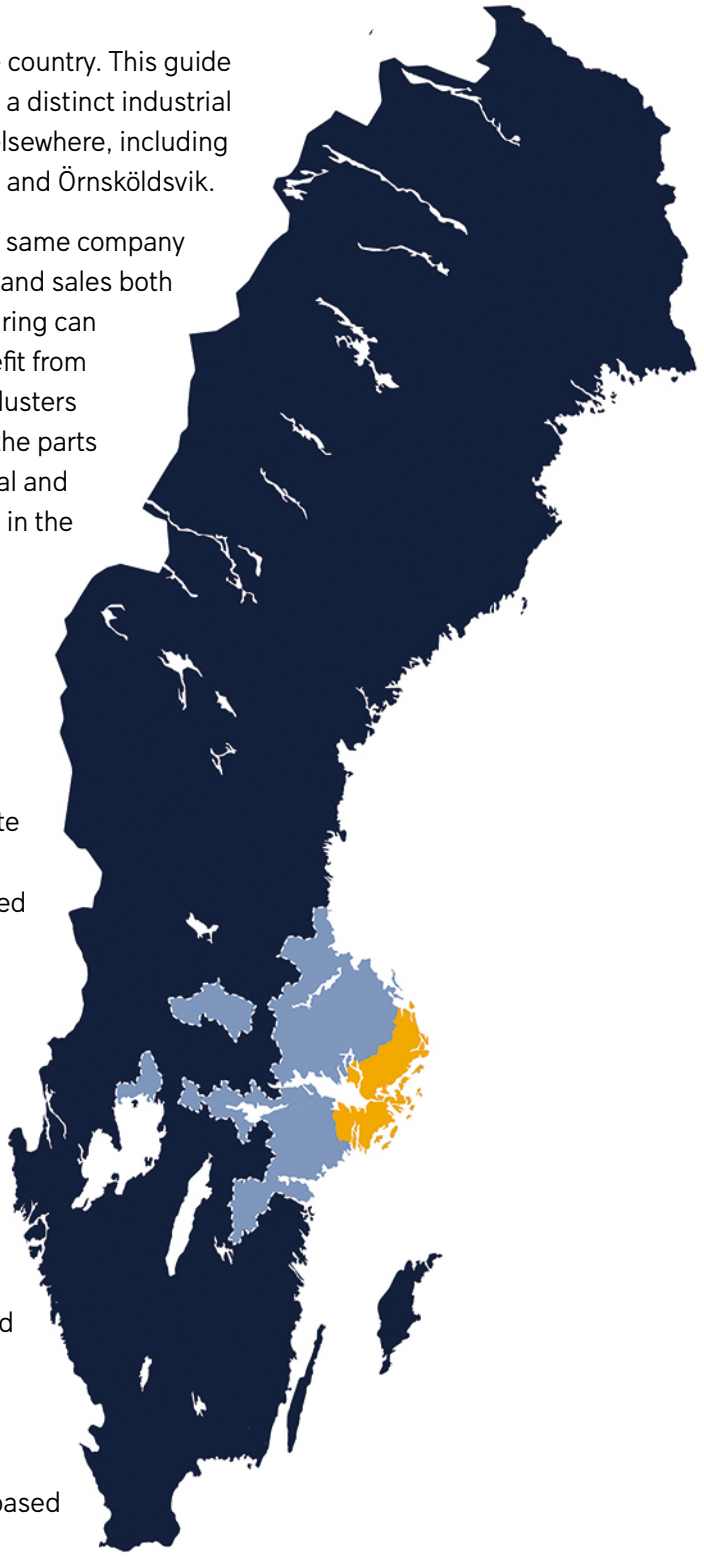
- The European Defence Fund (EDF) finances research and development in projects with at least three participants from three different EU countries or Norway, which takes part as an associated country. Entities controlled from a country outside the EU and Norway, including EU subsidiaries of non-EU groups, are eligible only if the country where they are established provides security guarantees approved by the European Commission. Entities located entirely outside the EU and Norway, for example in the United Kingdom or the United States, can take part only as associated partners, without receiving funding.
- The European Defence Industry Programme (EDIP) provides EUR 1.5 billion for 2026 and 2027 to increase defence production in Europe and facilitate joint procurement. The programme is open to EU countries, Norway and Ukraine.
- The EU Defence Innovation Scheme (EUDIS) makes it easier for small and medium-sized enterprises to access the European Defence Fund.

The information reflects the situation in late 2026. The funding landscape is changing rapidly. Danske Bank's annual Nordic Defence Tech Report and calls published by Tillväxtverket and Vinnova provide up-to-date information.

6 Where to establish in Sweden: regional clusters

Sweden's defence-related industry is present across the country. This guide describes five regional clusters in more detail, each with a distinct industrial profile. Significant defence-industry activity also exists elsewhere, including in Docksta, Jönköping, Karlskrona, Jönköping, Västervik and Örnsköldsvik.

Location depends on function, and different parts of the same company may be based in different places. Product development and sales both benefit from proximity to the customer, while manufacturing can be located elsewhere. Engineering and production benefit from proximity to existing industry and universities. The five clusters differ in what they produce, the expertise available and the parts of the value chain they cover. See section 4.3 for the legal and security-related conditions that apply to establishments in the defence sector.



6.1 Stockholm: digital technology, space and research

Stockholm is Sweden's technology capital. Ericsson, Spotify and Klarna were founded here, KTH Royal Institute of Technology is located at its centre, and the European Commission's Regional Innovation Scoreboard 2025 ranked the region as the most innovative in Europe. The same engineering base supports military communications, electronic warfare and command-and-control systems.

The region is home to nearly a quarter of Sweden's population: 2.5 million people across 26 municipalities, just under one million of them in the city itself. Through Stockholm Business Alliance, a broader network of 54 municipalities coordinate investment promotion and handle enquiries jointly. The region has 197 SOFF member companies, the largest and most diverse concentration in Sweden.

Armed Forces and government presence

FMV, FOI, Försvarsmakten Headquarters and ISP are all based in Stockholm.

South of Stockholm, Haninge Garrison brings together Berga and Muskö naval bases. Muskö is built largely inside bedrock, contains around 52,000 square metres of tunnels, dry docks,

workshops and offices, as well as the Naval Staff. Saab Kockums conducts ship maintenance there. Berga hosts the Stockholm Amphibious Regiment and the 4th Naval Warfare Flotilla.

North of Stockholm, Kungsängen is home to the Life Guards, an infantry regiment. The Army Staff and the Command and Control Regiment are both located in Enköping, the latter training signals and electronic warfare units. The Air Force Staff is located at F 16 air force base in Uppsala.

Defence companies

Stockholm combines established international defence and technology companies with a younger Swedish generation working in artificial intelligence, cybersecurity and secure communications. Thales Sverige, Rohde & Schwarz and Robert Bosch maintain operations in the region alongside Helsing, Tutus Data and Versasec.

Saab's group headquarters are in Stockholm, and Saab Surveillance develops radar systems, electronic-warfare capabilities and command-and-control solutions at sites in the region. Scania Defence supplies military trucks and buses, as well as engines for combat vehicles and submarines. Teledyne FLIR develops thermal-imaging and sensor systems, while Combitech provides technical consulting across several locations.

Ericsson is headquartered in Stockholm and maintains activities directed at defence applications. The company is working with Försvarsmakten on testing 5G Standalone networks for military use.

Space and secure communications form a separate cluster. The Swedish Space Corporation operates satellite ground stations and mission services from Solna. OHB Sweden develops small satellites and propulsion systems. Ovzon supplies mobile satellite communications for defence and national security customers.

Smaller segments cover ammunition and explosives, represented by Argo Defence Group, Sweden Ballistics and Swedish Ordnance. Sweden Ballistics is headquartered in Stockholm and is building a production facility in Nora in Örebro County. Therese are also companies working in unmanned systems, represented by Sjöberg UAV and Air Target Sweden.

Skills, demography and labour market

Much of the region's engineering competence comes from telecommunications. Signal processing, radio technology and network architecture transfer directly into military communications, electronic warfare and command-and-control systems, so engineers moving from commercial telecoms into defence projects work with the same underlying disciplines. KTH, Stockholm University and nearby Uppsala University educate engineers in these fields.

Infrastructure

Test facilities. FOI operates a research and test centre at Grindsjön in Nynäshamn Municipality, south of Stockholm, with an adjoining firing range of 7.5 square kilometres. The site supports work from standardised testing to large-scale live-fire and explosion trials, covering weapons effects and physical protection. The facility works for Försvarsmakten and for other clients.

Transport. Stockholm Norvik Port at Nynäshamn opened in 2020 as the region's container and roll-on roll-off port, taking over the container operations previously handled in central Stockholm. It accommodates the largest vessels operating in the Baltic and connects directly to the national rail network through its own industrial spur. Södertälje Port handles bulk and container traffic and serves the industrial cluster around Scania. Oxelösund Port is a deep-water port that can receive vessels with a draught of up to 15.5 metres.

On land, the E4 links the region with southern and northern Sweden and the E18 with central Sweden and Norway. Stockholm is the junction of the Swedish rail network, with the Western, Southern and East Coast main lines all passing through the region.

Stockholm Arlanda airport is Sweden's principal international gateway, with 163 direct destinations in 2025, of which 138 were international.

Innovation arenas. The region has several innovation environments with relevance to defence:

- **Kista Science City** is the largest, bringing together companies in software, radio technology, cybersecurity and advanced communications. FOI has its headquarters in the district. In 2026, Kista Science City launched a pilot with Försvarsmakten's cyber-defence organisation to bring solutions from start-ups and technology companies into military cyber operations.
- **Urban ICT Arena**, within Kista, operates an open testbed with fibre infrastructure, 5G and IoT access across Kista and central Stockholm. It is jointly owned by Kista Science City and the Electrum Foundation partners, among them ABB, Ericsson, IBM, KTH and RISE.
- **RISE Cyber Range** in Kista allows organisations to test digital systems in a virtual environment to identify vulnerabilities, aimed particularly at smaller companies without their own test infrastructure.
- **RISE sensor and sensor systems testbed**, also in Kista, works across sectors including security and defence.
- **Electrum Laboratory**, operated by KTH and RISE, is a 1,300 square metre cleanroom for micro and nano fabrication, with process lines for MEMS, silicon carbide power components, optoelectronics and sensor manufacturing.
- **Digital Futures Drone Arena**, run within the research centre founded by KTH, Stockholm University and RISE in 2020, is a testbed for flying drones.
- **STING** and **THINGS** run incubation for ICT and deep tech, and Södertälje Science Park works with industrial production and digitalisation.

Entry points for companies

At the regional level, Stockholm Business Region supports foreign companies considering investment or expansion in the capital region. Assistance typically includes introductions to relevant municipalities, business networks and public-sector stakeholders.

Stockholm Business Region also manages Stockholm Business Alliance on behalf of its member municipalities, a partnership of more than 50 municipalities across central Sweden. For a company that has not yet decided where in the country to locate, this makes Stockholm Business Region a single point of contact covering several of the clusters described in this chapter, including Linköping and parts of the Security Corridor. The service is free of charge.

6.2 Linköping: combat aircraft, secure communications and simulation

Sweden is one of the few countries in Europe that designs, builds and sustains its own combat aircraft, and it does so in Linköping. Aircraft have been manufactured in the city since 1918, when production began at the army workshops at Malmen, and Saab has developed and tested military aircraft here since 1939.

Combat aircraft is one of four materiel areas where the Swedish state has committed to maintaining national capability over time, which makes the demand behind the regional industry more durable than an order cycle. Saab employs more than 6,000 people in Linköping and plans to recruit around 2,000 more, an expansion that creates demand for suppliers and technology partners.

Around 20 SOFF member companies are based in the region, covering technologies from simulation training to satellite imagery, and the supplier structure reflects the domains in which Saab operates. In 2026 the incubator LEAD in Linköping was appointed Sweden's accelerator site within NATO's DIANA programme, giving technology companies from allied countries a defined route into the Swedish system.

Armed Forces and government presence

West of the city lies Malmen Air Base, hosting both Försvarsmakten Helicopter Wing and the Air Force Flying School. A second military concentration is located at Kvarn, approximately 40 kilometres west from Linköping. Here the Land Warfare Centre and elements of the Skaraborg Regiment operate Sweden's largest facility for urban combat training.

Defence companies

Saab is the municipality's largest private employer, with more than 6,000 employees. The Gripen fighter aircraft is built and developed here, as is the GlobalEye AEW&C system. Saab Dynamics also has a presence in Linköping, where it develops missile systems.

Secure communications is the largest supplier category. Comrod supplies tactical antennas, Eurotempest works with signal security, and Sectra Communications develops cryptographic systems and Link 22 military data links. Ericsson supports communications infrastructure with defence applications, while Teledyne contributes signal-processing and high-performance electronics capabilities. Cryptography and electronic warfare are integrity-critical elements of the





Figure 9. Photo by Berend Verheijen

command-and-control domain that the state has designated as strategic, and much of that expertise is concentrated here.

In autonomy and platforms, UMS Skeldar, a Saab subsidiary based in Linköping, develops NATO-compatible unmanned helicopter systems, and Vantor Sweden produces three-dimensional geospatial models from satellite imagery for mission planning and simulation.

Beyond Gravity develops and manufactures all of its dispenser and separation systems for launch vehicles in Linköping, where the company has quadrupled its workforce over ten years to more than 320 employees. Technology from the Linköping site has placed more than 1,600 satellites in orbit, including the dispenser system for Amazon's Kuiper constellation. The company also has operations in Gothenburg, see section 5.4.

Other suppliers cover simulation, protection, testing and information systems: BAE Systems OneArc in military training software used by NATO forces, Nordic Shield Group in secure shelters and hardened data centres, Element Materials Technology in testing and verification, Grafren and Termisk Systemteknik in advanced materials and thermal systems, Combitech and Vinnergi in engineering consulting, and IFS and CGI in military logistics and secure information systems.

Skills, demography and labour market

Linköping Municipality has 169,000 inhabitants, making it Sweden's fifth largest. Together with Norrköping, 40 kilometres to the east, the city forms a shared labour market of almost 315,000 people.

Aerodynamics, flight testing, systems safety, sensor fusion, simulation and certification of airborne systems depend on practical application rather than academic knowledge alone. An active combat aircraft programme provides that continuity, which is why the competence remains current here. Linköping University educates engineers in these fields alongside artificial intelligence and autonomous systems.

Saab's planned recruitment of roughly 2,000 people is substantial in a municipality of 169,000, and a company establishing here will compete for the same engineers.

Infrastructure

Test facilities: Linköping City Airport sits directly adjacent to Saab's facilities. Owned by Saab and operated for civil traffic by a municipally owned company, the airfield allows flight testing to be conducted alongside scheduled civil operations.

Transport: Linköping lies on the E4 and the Southern Main Line, with Stockholm to the north and Malmö to the south. Ostlänken, a double-track high-speed railway under construction between Järna and Linköping, will shorten journey times to Stockholm and provide both Linköping and Norrköping with new stations. The Port of Norrköping, 40 kilometres away, is the region's freight gateway and handles containers, project cargo, grain, steel, energy products and forest products.

Innovation Arenas:

- **Linköping Science Park** brings together around 600 technology companies adjacent to both the university and Saab's facilities, alongside engineering consultancies and research organisations, and runs the region's incubator and accelerator activities.
- **LEAD**, the science park's incubator, was selected in May 2026 as Sweden's accelerator site within NATO's Defence Innovation Accelerator for the North Atlantic (DIANA). Participating companies gain access to test environments, academic expertise and contact points within Försvarsmakten and government agencies.

Entry points for companies

Stockholm Business Region acts as a first point of contact for companies that have not yet decided where in the region to locate and can help facilitate the establishment process. Linköping Municipality is a member of Stockholm Business Alliance, which Stockholm Business Region manages on behalf of its member municipalities.

At the county level, Region Östergötland runs investment promotion under the East Sweden brand, in cooperation with the municipalities, Linköping University and the East Sweden Chamber of Commerce, and provides introductions to municipalities, universities and the innovation system. Companies seeking technology partnerships or incubator support will usually find Linköping Science Park the more practical route.

6.3 The Swedish Security Corridor: ammunition, artillery and radar systems

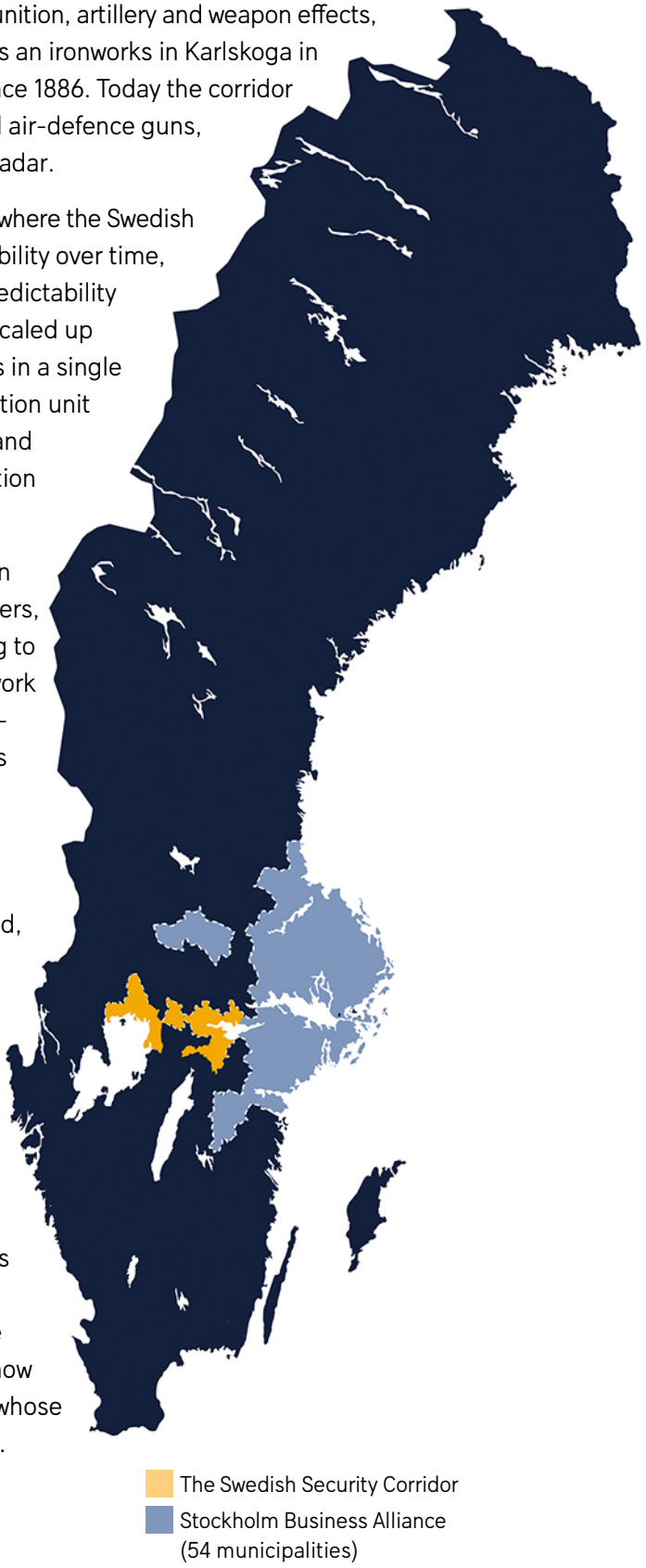
The Swedish Security Corridor is built around ammunition, artillery and weapon effects, and the engineering behind them. Bofors began as an ironworks in Karlskoga in 1646 and weapons have been tested at the site since 1886. Today the corridor produces ammunition, artillery systems, naval and air-defence guns, missile technology, ground-combat systems and radar.

Cartridge ammunition is one of four materiel areas where the Swedish state has committed to maintaining national capability over time, which gives suppliers here a degree of demand predictability that is unusual in the sector. Production is being scaled up accordingly: Saab Dynamics added 740 employees in a single year, BAE Systems Bofors is building a new production unit and has opened development offices in Karlstad, and Nammo plans to increase Nordic artillery ammunition capacity sixfold by 2027 compared with 2022.

Twenty-four SOFF member companies are based in the corridor alongside the established manufacturers, with activities ranging from additive manufacturing to naval propulsion. Behind them sits a supplier network built over generations that already meets defence-sector requirements, which means an entrant does not have to build one.

Armed Forces and government presence

FMTIS, Försvarsmakten's organisation for command, telecommunications and information systems, is headquartered in Örebro, with major operations in Arboga. It operates Försvarsmakten's shared communications infrastructure and fixed radio and sensor systems, employing around 1,900 people nationally across approximately 30 locations, several hundred of them in Arboga. Arboga Garrison also hosts one of Försvarsmakten Logistics' main depots, some 45,000 square metres with around 100,000 pallet spaces, and FMV has expanded from around 40 to 120 employees in the municipality. Government defence organisations now employ more than 1,000 people in a municipality whose labour market comprises some 5,000–6,000 jobs.



In Kristinehamn, the Bergslagen Artillery Regiment, A 9, is being re-established as a garrison. Site preparation at Harberget began in 2025 and construction is planned in stages between 2027 and 2030.

Three defence agencies are headquartered in Karlstad: the Swedish Civil Defence and Resilience Agency, the Swedish Psychological Defence Agency and the Swedish Defence Conscription and Assessment Agency.

Defence companies

While Karlskoga produces,; Arboga maintains. Engineering and new production have since spread to Karlstad, Örebro and Kristinehamn.

In Karlskoga, Saab, BAE Systems Bofors, Eurenco and Nammo all maintain significant operations, with Saab Dynamics and BAE Systems Bofors both headquartered here. Saab Dynamics is the municipality's largest private employer, with approximately 1,900 employees, and develops the AT4, Carl-Gustaf and NLAW anti-armour weapons, the RBS 15 anti-ship missile, the Meteor and IRIS-T air-to-air missiles and the Taurus air-to-surface missile. BAE Systems Bofors is known for the Archer artillery system, its 40 mm and 57 mm automatic guns and the BONUS, Excalibur and 3P intelligent munitions. Specialist suppliers around them include PartnerTech Karlskoga in high-precision machining for weapon systems and large-calibre ammunition, acquired by the Norwegian group Fjord Defence Group in 2026, and Lasertech LSH in metal 3D printing and laser welding. Bharat Forge Kilsta and Nammo Sweden entered a partnership in 2026 on components for large-calibre ammunition.

Arboga is centred on radar systems, microwave technology, maintenance, upgrades and long-term support. Saab and Combitech dominate the private sector presence, and Combitech's largest workplace in Sweden is located here with close to 250 employees. Together the two companies are approaching a combined workforce of around 1,000. A layer of manufacturing suppliers has developed around them, including RZ ZamPart.

AMEXCI, founded jointly by eleven Swedish industrial companies including Saab, ABB, SKF, Scania and Atlas Copco, works in industrial metal additive manufacturing and moved its production to Örebro in 2025. BAE Systems opened a development office in the city in autumn 2024 with room for around fifty engineers, and Sweden Ballistics, headquartered in Stockholm, is building an ammunition plant in Nora to the north.

Saab Dynamics and BAE Systems Bofors both opened development offices in Karlstad in 2023, and Saab is building larger premises at Zakrisdal. Saab-owned Combitech also operates in the city. Saab Dynamics gives access to engineers, other specialists and subcontractors as its reason for expanding in Värmland. Satcube manufactures portable satellite terminals in Karlstad, in a plant built in 2023 that tripled its production capacity.

In Kristinehamn, Kongsberg Maritime Sweden supplies sonar technology and marine propulsion systems, and BAE Systems Bofors acquired Aston Harald Mekaniska Verkstad, a precision machining company with around 100 employees, in 2026. Verkan AB, owned by the Wallenberg foundations' asset manager FAM, plans a gunpowder plant at Björneborg in the same municipality, with production targeted for 2028 subject to environmental permits and financing.

Skills, demography and labour market

The corridor stretches across six municipalities in three counties: Arboga in Västmanland, Karlstad and Kristinehamn in Värmland, and Karlskoga, Örebro and Hallsberg in Örebro County. Together they hold around 340,000 inhabitants, most of them in Karlstad and Örebro, while the largest defence employers are in Karlskoga and Arboga, the two smallest municipalities.

Much of the region's engineering competence traces back to Bofors, whose restructuring in the 1990s spread technical expertise across a wider network of companies inside and outside the defence sector. Work with energetic materials, propellants and explosives is subject to extensive regulation, and the associated competence is held in few locations.

The municipalities themselves are small, but their labour markets extend well beyond municipal boundaries. Karlskoga attracts around 6,500 inbound commuters each day, compared with just under 3,000 outbound commuters. Arboga forms part of a wider labour market encompassing Eskilstuna, Västerås and Örebro, providing access to around 600,000 people within 30–45 minutes; Stockholm is around 90 minutes away. Karlstad University and Örebro University are located at either end of the corridor, the latter one of three institutions behind Campus Totalförsvar, the national collaboration between Swedish universities on total defence education and research. Defence manufacturers recruit people with upper-secondary qualifications as well as university graduates.

Infrastructure

Test facilities: Bofors Test Center in Karlskoga operates a proving ground of approximately 100 square kilometres with seven permanent test sites. Indirect-fire testing can be conducted at ranges of roughly 25 kilometres, and the facilities include an open-jet wind tunnel operating from 10 metres per second up to Mach 3.6. Around 600 tests are conducted each year for defence and civilian customers.

Transport, land and power: Road connections are provided by the E18 and E20, while rail access is provided by the Mälaren and Svealand lines. Örebro Airport, twenty minutes from Karlskoga, is one of Sweden's principal cargo airports, with a 3,300-metre runway and established operations for FedEx and DHL. Hallsberg is a junction in the national rail-freight network. Kristinehamn has a port within the Vänerhamn system, giving the corridor a waterway connection through Göta älv to the Port of Gothenburg, and is the southern terminus of Inlandsbanan. Road, rail, air and waterway freight all connect within the corridor, which carries a military logistics function alongside its industrial one and may in time attract further investment in transport infrastructure.

Arboga reports zoned land available for immediate development, and Saab controls substantial land reserves in the municipality. Arboga also expects to triple its power capacity, from 25 MW to 80 MW, through a new regional network connection and substation scheduled for commissioning in 2028. Karlskoga is constrained on both industrial land and electrical capacity today, and has begun prioritising projects that generate employment while declining land-intensive developments such as warehousing and data centres. The Björkborn industrial area, at over 300 hectares the municipality's largest and home to around ten companies of which four handle explosives and ammunition in quantity, is being expanded. Two detailed

plans covering a further 300 and 56 hectares went to public consultation in March 2026, and the draft comprehensive plan states that defence-related operations should be given priority in the expansion.

Innovation arenas:

- **KCEM**, the Nordic competence centre for energetic materials, is based in Karlskoga and provides training, risk analysis and regulatory advice to companies that handle explosives and other reactive materials.
- **TTC**, a national manufacturing technology centre in Karlskoga, works with production technology for industry.
- **Alfred Nobel Science Park**, based in Örebro, connects industry in the county to research at Örebro University, with specialisations in additive manufacturing, 3D X-ray and intelligent systems. The park is not defence-specific, but AMEXCI has cited additive manufacturing expertise in the region as one reason for locating there.

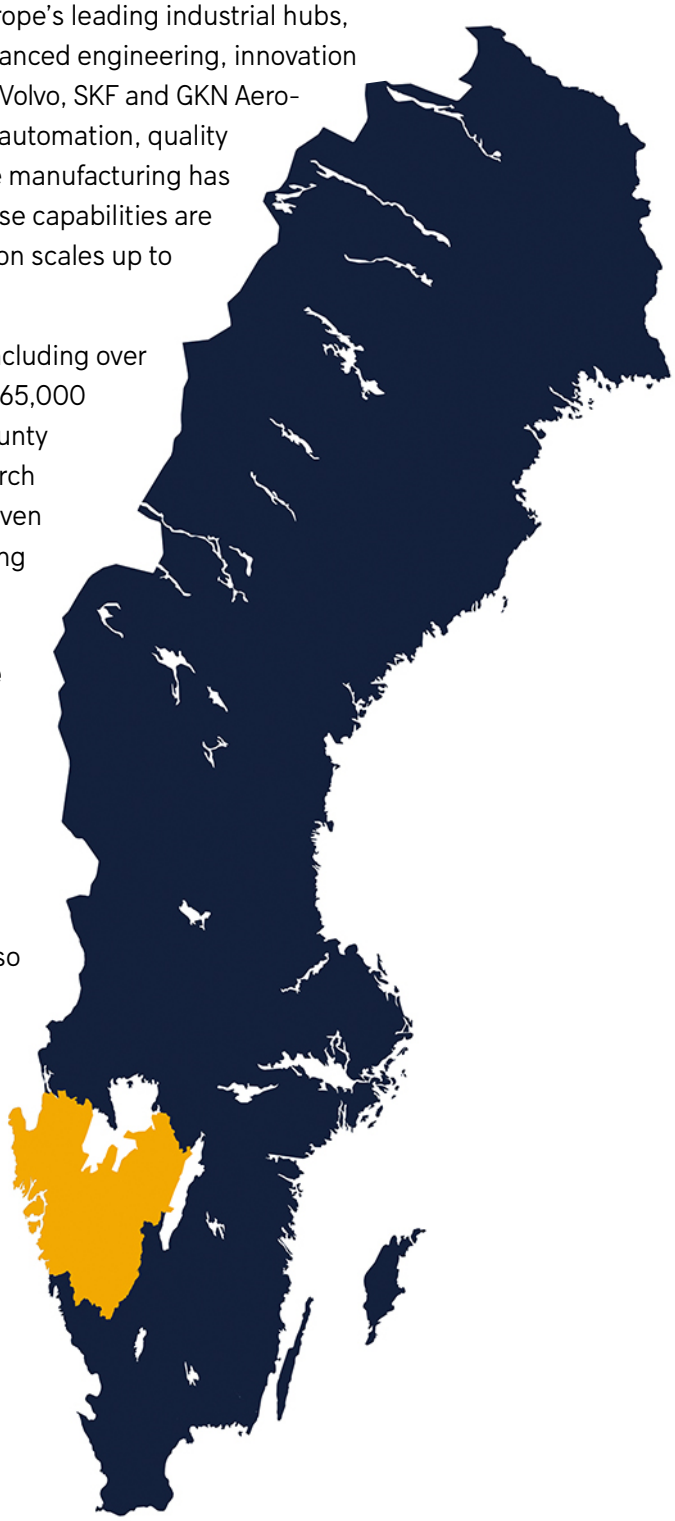
Entry points for companies

Stockholm Business Region acts as a first point of contact for companies that have not yet decided where in Sweden to locate. Arboga, Örebro, Karlskoga and Karlstad are members of Stockholm Business Alliance, which Stockholm Business Region manages on behalf of its member municipalities, as described in section 6.1.

At the regional level, Business Region Örebro and Business Region Värmland promote investment and business development across their respective counties.

6.4 The Wider Gothenburg Region: R&D, volume production, space and vehicle technology

The wider Gothenburg Region[1] is one of Northern Europe's leading industrial hubs, combining a strong manufacturing heritage with advanced engineering, innovation and world-class logistics. Global companies such as Volvo, SKF and GKN Aerospace have shaped an industrial ecosystem built on automation, quality systems and high-volume production. While defence manufacturing has traditionally focused on smaller production runs, these capabilities are becoming increasingly valuable as defence production scales up to meet growing demand.



More than 100,000 people work in manufacturing, including over 54,000 in high-technology production and a further 65,000 in advanced manufacturing-related services. The county accounts for 34 per cent of all business-sector research and development investment in Sweden. Seventy-seven companies in the region are members of SOFF ranging from heavy industry to niche specialists.

Armed Forces and government presence

Military activity in the region is distributed across several locations and services.

Gothenburg is home to the Älvsborg Amphibious Regiment and Försvarsmakten's Centre for Defence Medicine. Further east is the Skaraborg Wing, F 7, where all Gripen pilots receive their training. F 7 is also the hub for Sweden's military transport aviation.

Skövde hosts the armoured Skaraborg Regiment, P 4, the Land Warfare Centre and the Göta Logistics Regiment.

Karlsborg is home to the Special Operations Group (SOG) and the Life Regiment Hussars, K 3, which specialises in airborne operations, reconnaissance and intelligence. Försvarsmakten's UAS Centre is also located in Karlsborg. The centre is responsible for training, development and evaluation relating to unmanned aerial systems across all branches of the military.

[1]The wider Gothenburg Region encompasses the City of Gothenburg, the 13 municipalities of Göteborgsregionen (the Gothenburg Region), and the wider Västra Götaland County

Defence companies

Saab is the region's most prominent defence company and entered the list of Gothenburg's ten largest employers in 2025. Gothenburg is Saab's sensor centre, where the Erieye Extended Range radar is developed and manufactured. The radar is the main sensor in GlobalEye, Saab's airborne early warning and control system, which NATO selected in 2026.

GKN Aerospace in Trollhättan is the group's largest manufacturing site for engine systems, employing over 2,000 engineers, technicians and research staff. The company is responsible for the development, manufacture, system support and maintenance of the engines powering the Gripen fighter and produces key components for the European Ariane 6 launcher, including the nozzle for the Vulcain 2.1 main stage engine.

Volvo Defence provides a range of trucks for military use, as well as marine propulsion engines. Nammo produces ammunition at Karlsborg, and Elbit Systems has established its Swedish operations in Gothenburg.

Space is where the region holds the largest concentration of a national sector. Around two thirds of everyone employed in the Swedish space industry works here. Beyond Gravity develops computer systems, space antennas and microwave electronics for satellites in Gothenburg, while its dispenser and separation systems are made in Linköping, see section 5.2. Qamcom and Frontgrade Gaisler operate in the same field.

Several companies in Gothenburg work in sensors, software and digital systems: SiTek Electro Optics in electro-optical technologies, Recorded Future in intelligence and cyber analytics, and Carmenta in geospatial software for civilian and defence use. Diadrom specialises in diagnostics and lifecycle management for embedded software in trucks, vehicles and military systems including radar, and acts as a local integration partner for foreign defence companies entering the Swedish market.

Skills, demography and labour market

Västra Götaland County comprises 49 municipalities and 1.8 million inhabitants, around 1.1 million of them living in the Gothenburg Region.

Defence manufacturing in Europe scaled down after the Cold War and has since been organised around small series. Rearmament is changing that, and the competences required for volume production exist in this region because the vehicle industry built them.

Western Sweden is home to both Volvo Group and Volvo Cars. AB Volvo produces around 250,000 trucks and 250,000 engines a year and employs approximately 10,000 people in Gothenburg, with further operations in Skövde and Vara. Around the two groups sits a supplier network built over decades in automation, quality systems, series production, supply chain management and systems integration, together with testing and verification at volume.

That base is already converting. FKG, the Scandinavian automotive supplier association with around 300 member companies, launched a programme to help automotive suppliers qualify as defence subcontractors. Planned as a study involving ten to fifteen companies, it attracted more than fifty applicants from across Sweden within its first month.



Advanced materials, antenna technology, autonomous systems, sensors, power electronics, embedded systems and applied artificial intelligence all have industrial roots in western Sweden, as do additive manufacturing and space technology.

Chalmers University of Technology educates a substantial share of Sweden's engineers and is establishing a master's programme in space engineering. University West specialises in metal additive manufacturing, the University of Borås in smart textiles, and the University of Skövde in virtual simulation, serious games and cybersecurity for crisis training. The University of Gothenburg contributes across a broader range of disciplines. Swedish ship design companies in the region develop vessels for international customers, and Chalmers has resumed educational programmes in the field.

Infrastructure

Test facilities: FMV operates land test centres at Karlsborg and Skövde. Karlsborg covers ballistic measurement, protection and effects testing for weapons, vehicles and personal protective equipment, together with environmental durability testing and ammunition handling. Skövde tests military vehicle systems across varied terrain, including obstacle negotiation, wading, gradient performance and comparative evaluation against Swedish and international reference vehicles. FMV is building additional capability at Karlsborg for advanced testing of tactical unmanned systems in the air, on land and at sea.

Beyond FMV, the region holds several test environments open to companies:

- **AstaZero near Borås**, the world's first full-scale test environment for road safety, used for testing autonomous and connected vehicle systems.
- **RISE Sensors and sensor systems**, described as Sweden's broadest capability in sensors and sensor systems.
- **SEEL, Swedish Electric Transport Laboratory**, operated by Chalmers and RISE for testing electric propulsion and battery systems, with facilities in Gothenburg and Borås.
- **ASSAR Power Electronics Labs** in Skövde, operated by the University of Skövde within ASSAR Industrial Innovation Arena, tests and verifies power electronics including battery management systems, inverters and DC/DC converters.
- **Produktionstekniskt Centrum** in Trollhättan, focused on automation, digitalisation and production technology, including large-scale metal additive manufacturing.
- **Advanced Manufacturing Coordination Center** in Trollhättan brings together the Armed Forces, Innovatum Science Park, GKN Aerospace, University West, Waamlabz and the City of Trollhättan to shorten the path from identified need to solution within advanced manufacturing and repair.
- **WACQT, Wallenberg Centre for Quantum Technology**, coordinated from Chalmers, the national research programme in quantum technology.

A wider catalogue of test environments in the region is maintained by Business Region Göteborg.

Transport: The Port of Gothenburg handles around 20 per cent of Swedish foreign trade and just over half of all Swedish container traffic. It is Scandinavia's largest port and the Nordic region's leading hub for both container and roll-on roll-off traffic, handling a record 934,000 TEU and approximately 525,000 ro-ro units in 2025. Skandiahamnen, operated by APM Terminals, is the only terminal in Sweden able to receive the largest container vessels in service.

Direct services run to North America, North Africa, the Middle East, India, South Korea and China, with daily feeder connections to the major transhipment hubs on the continent. Inland, Railport Scandinavia operates around thirty rail shuttle services connecting terminals across the country, and more than sixty per cent of container freight to and from the port moves by rail. For a manufacturer bringing components in and shipping systems out, port, rail and road work as one system rather than three.

Göteborg Landvetter Airport handled 5.4 million passengers in 2025 and offered 79 direct destinations.

Innovation Arenas:

- **Lindholmen Science Park** in Gothenburg is a national innovation platform that hosts collaborative arenas across mobility, defence and applied technology.
  - **Defence X-Lab** was established there by the Swedish Army to shorten the path from identified need to operational capability, with a stated ambition of twelve months. Reserve officers with Försvarsmakten translate classified requirements into challenges that can be addressed in an open environment. Startups, scaleups, researchers and larger corporations can all participate, including international companies where security and export-control requirements can be met.
  - **Mobility X-Lab**, Lindholmen's platform for the automotive sector, has attracted more than 1,500 startups from fifty countries.
  - **AI Sweden**, the national centre for applied artificial intelligence, is also hosted at Lindholmen.
- **Chalmers Next Labs** operates independently from the university and maintains security-cleared facilities and personnel, allowing classified research under conditions difficult to accommodate within a traditional academic environment.
- **Space West**, initiated by the Västra Götaland Region and operated by Chalmers Next Labs, extends the same model into the space sector.
- **Innovatum Science Park** in Trollhättan runs environments where research, industry and startups develop space technology and deep tech.
- **AI Gothenburg** is an informal hub for founders building artificial intelligence companies in the region, without a formal programme or equity arrangement.

Entry points for companies

Business Region Göteborg serves as the primary point of contact for companies considering an establishment in the region and works closely with municipalities, regional authorities and other stakeholders to support investment projects and expansion activities.



Figure 10. Photo by Markus Esselmark

6.5 Skåne: underwater systems, sensors and software



Skåne is where technology is developed rather than manufactured. Lund University, MAX IV and ESS give the region a research base centred on materials science and advanced technology, while the companies that have grown around it work mainly in software, sensors and embedded systems. Saab Kockums maintains Sweden's submarine and underwater-systems capability, one of the four strategic materiel areas, although the vessels themselves are constructed in Karlskrona in the neighbouring county.

The region's competence in embedded systems and radio technology was built by Ericsson's mobile phone development in Lund, which at its height employed several thousand engineers and left a pool of specialists behind as the business contracted. That competence now transfers to defence sensor and drone applications. Tetra Pak and Alfa Laval have longstanding operations here, and parts of Volvo Cars' software development are carried out in the Lund area.

Thirty-one SOFF member companies are based in the region, ranging from underwater specialists to sensor and cybersecurity companies.

Armed Forces and government presence

Military activity in Skåne is centred at Revingehed, near Lund, which hosts the armoured South Scanian Regiment, P 7.

Defence companies

Saab Kockums occupies a central position in Sweden's submarine and underwater systems capability. In 2025 Saab moved into a new 24,000-square-metre research and development facility in Lund, bringing together Saab Kockums and Saab-owned Combitech in a site containing offices, production space and testing facilities.

The region also has a specialisation in sensors and digital technologies. Axis Communications, headquartered in Lund, has built an international position in networked sensor systems and computer vision and is the largest employer at Ideon Science Park. Aimpoint in Malmö is a global supplier of red-dot sights, a technology it patented some thirty years ago and which took around two decades to reach profitability before growing into an international business. Bertin Exensor in Lund develops unattended ground sensors, MilDef in Helsingborg supplies ruggedised IT systems for demanding environments, Advenica in Lund specialises in cybersecurity and protection of classified information, and T-Kartor in Kristianstad works with mapping, geospatial information and military decision-support systems.



Figure 11. Photo by Apelöga

Sweden Dynamics in Malmö develops modular tactical drone systems and drone services for defence, police and rescue services. Founded in 2025, the company opened an indoor facility for tactical drone training and testing in Malmö in 2026 and received Vinnova funding for work on autonomous drone swarms.

Skills, demography and labour market

Skåne County has around 1.43 million inhabitants across 33 municipalities, with Malmö, Helsingborg and Lund being the largest urban centres at approximately 368,000, 153,000 and 132,000. The relevant labour market extends beyond the county: southern Sweden and eastern Denmark form the Öresund region, an integrated economic area of close to four million people. Establishing on the Swedish side costs less than in the Copenhagen region.

The regional competence base is built on software and sensors. Embedded systems, computer vision and edge processing developed in the camera and telecommunications industries transfer to defence sensor and drone applications, and much of Volvo Cars' connectivity and autonomous driving work is carried out in the Lund area.

The labour market extends across the strait. Southern Sweden and eastern Denmark form the Öresund region, an integrated economic area of close to four million people, and around 150,000 students attend higher-education institutions on both sides. Lund University, Malmö University and the University of Copenhagen supply graduates in engineering, software development and electronics, while the international nature of the labour market broadens the talent pool further.

Infrastructure

Test and research facilities. Research infrastructure plays a larger role here than defence-specific testing facilities. MAX IV, Sweden's national synchrotron-radiation laboratory and the largest research-infrastructure investment undertaken in the country, receives more than 2,000 researchers annually in materials science, chemistry, nanotechnology and structural biology. Immediately adjacent is ESS, a pan-European facility hosted by Sweden and Denmark and built around what will become the world's most powerful neutron source. Neither facility was created for defence purposes, but both provide analytical capabilities relevant to advanced materials, electronics, energetic materials and protective technologies.

Campus Ljungbyhed north of Lund holds Lund University's School of Aviation, with controlled airspace, a drone laboratory and a testbed for unmanned aerial systems. The school is certified as Sweden's first authorised drone school and runs a research project with FOI on AI-assisted drones for search and rescue.

Transport: Skåne functions as the entry point to Sweden from the continent and as a base for operations across the Nordic region. The Öresund Bridge provides a permanent road and rail connection between Malmö and Copenhagen, and Copenhagen Airport can be reached from Malmö in around thirty minutes by train. As the Nordic region's largest airport it offers long-haul connections not available from most Swedish airports, and a little over an hour's flight reaches much of Europe. Copenhagen Malmö Port operates facilities on both sides of the strait, and the Port of Helsingborg is one of Sweden's largest ferry and container ports. The region is served by the E6, E20 and E22 and by Södra stambanan.

Innovation arenas: Innovation activity is concentrated along a corridor running from Ideon Science Park out to Brunnshög, the district in north-eastern Lund where MAX IV and ESS are located.

- **Ideon Science Park in Lund**, founded in 1983 as Sweden's first science park, hosts companies ranging from startups to international research and development units.
- **Amyna**, based at Ideon, focuses on dual-use technologies and defence-related entrepreneurship, running programmes for startups and scaleups while connecting established companies, agencies and potential partners. It holds partnerships with Saab and with organisations in Sweden and Finland, and signed a cooperation agreement with SOFF in March 2026.
- **LRIX**, Lund Rapid Innovation and eXploitation, was inaugurated at Ideon in May 2026 as a pilot focused on command-and-control systems. It brings together FMV and Försvarsmakten with support from FOI, the Swedish Defence University and Vinnova, and solutions developed within the initiative can be tested in an operational environment through the regiment at Revingehed.
- **Science Village**, situated between MAX IV and ESS and jointly owned by Lund Municipality, Region Skåne and Lund University, brings together companies and research organisations working with advanced materials.

Entry points for companies

At the regional level, Invest in Skåne supports companies considering establishment or expansion in southern Sweden and provides introductions to relevant municipalities, business networks and public-sector stakeholders. Many of the larger municipalities also operate their own business development and investment promotion functions.

Invest in Skåne is the regional establishment body, and several of the larger municipalities operate their own investment promotion functions. For a company with dual-use technology that has not previously worked with defence, Amyna at Ideon Science Park runs an accelerator programme and connects companies with agencies and potential partners in the value chain. The regional representation of SOFF is the route into the wider industry network.

7 Appendix: key actors

The Swedish defence sector is characterised by a strong public structure, in which government agencies play a central role in demand, regulation and innovation alike. The overview below therefore focuses on these actors, complemented by regional investment promotion agencies and industry associations that are particularly relevant to foreign companies during the establishment phase.

7.1 Ministries

Ministry of Defence
Part of the Government Offices, the Ministry leads Swedish defence and defence-industry policy. It is responsible for the budget, legislation and strategies for total defence. The Ministry directs subordinate agencies such as FMV, FOI and FRA and holds ultimate responsibility for export-control policy. **When relevant**: direct contact arises mainly in government-level transactions. Under normal circumstances, companies are affected indirectly through the frameworks and resources that the Ministry establishes for agencies and strategies.

Ministry for Foreign Affairs
Part of the Government Offices, the Ministry is responsible for Sweden's foreign policy, including international trade and export regulation. It manages diplomatic relations connected with defence transactions and participates in export-promotion activities through Team Sweden. It also administers international agreements and sanctions affecting exports of defence materiel. **When relevant**: in defence transactions requiring government support or intergovernmental agreements. The Ministry also contributes to the Export Control Council (see below), bringing a foreign-policy perspective to export-licensing decisions.

7.2 Government agencies

Vinnova
Sweden's innovation agency, which funds research and development. On behalf of the Government, Vinnova has run the Civil-Military Innovation Programme (CMIP) together with Försvarsmakten since 2024. **When relevant**: companies with innovative technology that has potential defence applications can access funding, accelerator programmes and networks that help bring the technology into total defence.

Tillväxtverket
Sweden's agency for economic and regional growth, which promotes enterprise and regional development. Tillväxtverket runs calls that support defence companies in expanding their industrial capacity, including funding for feasibility studies, and is developing a programme to modernise defence manufacturing. **When relevant**: for companies that have, or are planning, production in Sweden. Calls change over time, so companies should consult Tillväxtverket's website for current information.



The Swedish Inspectorate of Strategic Products (ISP)
Sweden's supervisory authority for export controls. ISP grants or refuses licences for exports of military equipment and sensitive technology and monitors compliance with export-control regulations. Defence-related companies in Sweden are subject to ISP's supervision, including requirements for reporting and product classification. Since 2023, ISP has also been responsible for screening foreign direct investment (FDI) in protection-worthy activities; investors must notify relevant acquisitions to ISP for review. **When relevant**: a company exporting defence or security products from Sweden must obtain the necessary ISP licences. In foreign acquisitions of Swedish defence companies, ISP is also the authority that examines the transaction under the FDI-screening legislation.

The Swedish Institute (SI)
The agency responsible for promoting Sweden internationally. SI builds cultural, academic and business relationships to strengthen Sweden's global attractiveness and contributes to Team Sweden, which promotes Swedish companies and innovations abroad. **When relevant**: primarily indirectly, as SI's work to position Sweden as a destination for technology and partnerships helps create a favourable business climate. Through networks, events and analysis, SI strengthens international confidence in Sweden as an investment location.

The Swedish Fortifications Agency (Fortifikationsverket)
The government agency that owns, develops and manages Sweden's defence estate. Its portfolio ranges from barracks and training facilities to naval bases, airfields and protected underground installations. **When relevant**: for companies in construction, civil engineering and technical services, the Swedish Fortifications Agency is a major client for new-build and refurbishment projects as defence infrastructure expands. All construction and property procurement for defence is conducted through the Agency under public-procurement law.

Swedish Export Credit Corporation (SEK)
A state-owned company that provides loans for export transactions. SEK works closely with EKN, and a transaction guaranteed by EKN will normally qualify for more favourable terms. **When relevant**: SEK requires a connection to Swedish exports. A foreign company buying Swedish defence materiel may obtain a loan from SEK on better terms, provided that EKN guarantees the transaction.

Swedish Export Credit Agency (EKN)
The government agency that insures Swedish exports against the risk of non-payment by the buyer. A transaction guaranteed by EKN will normally qualify for more favourable loan terms from SEK. **When relevant**: EKN requires a connection to Swedish exports and does not cover sales in the Swedish market. A foreign company can benefit as a subcontractor when a Swedish exporter includes its components in an export transaction, or as a buyer of Swedish defence materiel.

Swedish Defence Research Agency (FOI)
A government R&D authority with a broad defence and security remit, delivering research and technology development to Försvarsmakten, FMV and other authorities. FOI also has a mandate

to support defence exports and collaborates with industry across its core research areas, including aeronautics, underwater technology, sensors, electronic warfare and information security. **When relevant**: Companies can collaborate with FOI on research projects to draw on its expertise and test resources. FOI's network provides entry points to broader innovation programmes and can help validate technology for use by Försvarsmakten.

Swedish Defence Materiel Administration (FMV)
FMV has several roles in relation to the defence industry. It is the government procurement authority responsible for acquiring and maintaining materiel for Försvarsmakten and is therefore the primary contracting authority for companies seeking to sell defence materiel in Sweden. FMV's procurement needs are published quarterly in its Procurement Plan. FMV has also been given an expanded mandate to develop the Swedish defence industry, including broadening the supplier base, piloting procurement models aimed specifically at innovation and operating a dedicated contact point for companies. In addition, FMV is the lead agency for defence export promotion and handles all applications from companies for government support. The agency represents the Swedish state in government-to-government defence exports. FMV also operates several qualified test and evaluation facilities across the country, making spare capacity available to other authorities and companies. FMV has also become the supervisory authority for protective security in defence companies. In its role as Designated Security Authority (DSA), FMV can issue security clearances to defence companies at the request of a foreign state or international organisation. **When relevant**: FMV is the main counterpart for any company seeking to sell defence materiel to the Swedish state. New suppliers, including SMEs and non-traditional defence companies, can use FMV's dedicated contact point, and foreign companies can meet FMV at International Suppliers' Day and Defence Expo Sweden.

Swedish Civil Defence and Resilience Agency (MCF)
The government agency responsible for civil defence and societal resilience, which replaced the Swedish Civil Contingencies Agency (MSB) on 1 January 2026. MCF coordinates civil preparedness across government agencies, regions and municipalities and exercises national oversight of the Seveso legislation and of flammable and explosive goods. It also handles permits for certain categories of explosives. **When relevant**: companies that manufacture, handle or store explosives, propellants or other hazardous substances should involve MCF early in the permitting process. Companies offering products or services for civil preparedness may also encounter MCF as a coordinating actor within total defence.

Swedish Armed Forces (Försvarsmakten)
Sweden's military authority, which commissions and specifies requirements for materiel and services for the country's defence. Försvarsmakten formulates capability requirements and technical specifications for new equipment, which are then submitted to FMV as a procurement mandate. Försvarsmakten also conducts routine, smaller-scale purchases for its day-to-day operations through its own logistics organisation, FMLOG. **When relevant**: for a company targeting the end user in Sweden, Försvarsmakten is the actor that determines needs, volumes and performance requirements for materiel and systems. Goods delivered directly to units pass through Försvarsmakten's own purchasing channels.



National Defence Radio Establishment (FRA)
Sweden's national signals intelligence authority, which also coordinates national cybersecurity. The National Cybersecurity Centre (NCSC) is part of FRA. **When relevant**: FRA conducts its own procurement and can be a customer for suppliers of advanced ICT, signals and cyber-security solutions. Companies covered by the Cybersecurity Act must notify the NCSC and implement the required risk-management measures.

Export Control Council (EKR)
A parliamentary advisory council attached to ISP. EKR advises ISP in individual licensing cases, particularly sensitive cases in which security and foreign-policy interests must be balanced. **When relevant**: companies normally have no direct contact with EKR, but its deliberations can influence borderline export-licensing cases. Foreign actors should be aware that complex export transactions involving Sweden may be considered by EKR before ISP takes a formal decision.

Business Sweden
Sweden's trade and investment council, jointly owned by the state and the business sector. It helps foreign companies invest in Sweden. Within the defence and security sector, Business Sweden offers market analysis, networks and guidance on Swedish regulations. **When relevant**: foreign companies in the establishment phase can turn to Business Sweden for support, from understanding the structure and regulation of the defence market to finding local partners or sites. These services are provided free of charge.

7.3 Industry support

Business Region Göteborg (BRG)
The business-development office of the City of Gothenburg, wholly owned by the city through Göteborgs Stadshus AB. BRG represents 13 municipalities in the Gothenburg region and works to promote employment, investment and a diversified business sector. Reflecting the region's established space and defence industry—which includes Saab's Gothenburg facility and Beyond Gravity—BRG runs a dedicated programme for preparedness and total defence and convenes companies, FMV and innovation actors such as Defence xLab to develop the region's defence cluster. **When relevant**: BRG is the primary point of contact for companies considering establishment in the Gothenburg region and works closely with municipalities and regional authorities to support investment projects. It also maintains a catalogue of test environments in the region.

Business Region Värmland
The regional organisation that promotes investment and business development in Värmland County. The county includes Karlstad and Kristinehamn, which form the western part of the Swedish Security Corridor. **When relevant**: For companies considering establishment in the western part of the corridor or seeking access to the labour market around Karlstad and Karlstad University.



Business Region Örebro
The regional organisation that promotes investment and business development in Örebro County. The county includes Karlskoga, the main production centre of the Swedish Security Corridor, where Saab, BAE Systems Bofors, Eurenco and Nammo all maintain significant operations. **When relevant**: For companies considering establishment in the corridor, particularly suppliers within ammunition, artillery and weapon effects.

East Sweden
The investment-promotion function of Region Östergötland, run in cooperation with the county's municipalities, Linköping University and the East Sweden Chamber of Commerce. It provides introductions to municipalities, universities and the innovation system in the county where Saab develops and builds its combat aircraft. **When relevant**: For companies considering establishment in Östergötland, particularly within combat aircraft, secure communications and simulation. Companies seeking technology partnerships or incubator support will usually find Linköping Science Park the more practical route.

Science parks and clusters (Kista Science City, Lindholmen Science Park, Ideon Science Park, Linköping Science Park)
Regional innovation environments that bring together companies, academia and the public sector. They serve as platforms for collaboration, testing and technology development. Kista Science City, Sweden's largest ICT cluster and home to FOI's headquarters and laboratories, has identified defence technology as a priority area alongside cybersecurity and space technology. In 2026, it launched a pilot programme with Försvarsmakten's cyber-defence unit, inviting smaller technology companies and start-ups to contribute solutions directly to national cyber-defence needs. **When relevant**: for companies seeking to establish an R&D presence, identify partners or integrate into the Swedish innovation system, particularly in cyber, space and defence-related technology.

Invest in Skåne
The official investment-promotion agency for southern Sweden. Since 2022, Invest in Skåne has operated within Region Skåne's administration, having previously been a separate company. Its stated focus sectors are advanced materials and manufacturing, food, life sciences, smart sustainable cities and technology, the last of which includes a growing cybersecurity cluster. Unlike Stockholm and Gothenburg, Invest in Skåne does not appear to operate a dedicated defence-industry programme. **When relevant**: For companies considering establishment or expansion in southern Sweden, Invest in Skåne provides introductions to municipalities, business networks and public-sector stakeholders. Companies with dual-use technology and no previous defence experience may find Amyna at Ideon Science Park a more direct route into the defence value chain.

Stockholm Business Region (SBR)
Wholly owned by the City of Stockholm, Stockholm Business Region is the official regional investment-promotion and destination agency. It manages Stockholm Business Alliance, a partnership of 54 municipalities that includes a dedicated Defence Council (Försvarsrådet) for strategic dialogue and joint development relating to investment promotion and the defence



industry. **When relevant**: For a company that has not yet decided where in Sweden to locate, SBR is a single point of contact covering several regional clusters, including Linköping and parts of the Security Corridor. It also provides establishment services by facilitating contacts with local ecosystems, legal advisors, recruitment agencies, accounting firms and other support service providers. The service is free of charge.

Swedish Security and Defence Industry Association (SOFF)
An industry association representing around 500 defence and security companies in Sweden, including some 250 SMEs and 70 start-ups. SOFF provides a platform for industry collaboration and represents its members' interests in dialogue with government agencies. Together with FMV, it organises International Suppliers' Day twice a year and Defence Expo Sweden. It also arranges around 60 business-to-business events each year, 20 of them in English. **When relevant**: a foreign company can use SOFF's events to meet FMV, Swedish prime contractors and potential partners, even before establishing operations in Sweden. Once established, it can access industry contacts, working groups and events that provide knowledge and visibility. SOFF's annual statistics also provide market insight.

Swedish SME Defence (SME-D)
An industry association for small and medium-sized defence companies in Sweden, focused on accelerating innovation and strengthening SMEs' delivery capabilities within total defence. **When relevant**: smaller defence and dual-use technology companies can gain visibility and contacts through SME-D, including links to larger industrial companies and government agencies, as well as a collective voice in dialogue with decision-makers. For foreign companies seeking to collaborate with innovative Swedish SMEs, SME-D provides a network for identifying potential partners.

8 Further reading and sources

Government publications

- Ministry of Defence, Defence Resolution 2025-2030, https://www.government.se/government-policy/total-defence/defence-resolution-2025-20302/
- Ministry of Defence (2025). *Defence Industry Strategy for a stronger Sweden: innovation, production and cooperation*. https://www.government.se/information-material/2025/09/defence-industry-strategy-for-a-stronger-sweden/
- SOU 2026:16. *Försvarsexportinitiativ*: För gemensam säkerhet (Defence export initiative: for common security). https://www.regeringen.se/rattsliga-dokument/statens-offentliga-utredningar/2026/03/sou-202616/

European Union

- European Commission (2025). C*ommission Notice on the application of the sustainable finance framework and the Corporate Sustainability Due Diligence Directive to the defence sector* (C/2025/4950). https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:C_202504950
- European Commission (2026). *EDIP work programme*, 30 March 2026. https://defence-industry-space.ec.europa.eu/edip-commission-adopts-eu15-billion-work-programme-boost-european-and-ukrainian-defence-industry-2026-03-30_en
- European Commission. *EU Defence Innovation Scheme* (EUDIS). https://defence-industry-space.ec.europa.eu/eu-defence-industry/eu-defence-innovation-scheme-eudis_en
- European Commission. *European Defence Fund (EDF)*. https://defence-industry-space.ec.europa.eu/eu-defence-industry/european-defence-fund-edf-official-webpage-european-commission_en

Reports and analyses

- Business Sweden (2026). *Winning the Defence Market – How Swedish dual-use companies can scale and succeed*. https://www.business-sweden.com/insights/reports/executive-global-insights/unlocking-growth-in-the-defence-market/
- McKinsey & Company (2026). *Enhancing Swedish security through deterrence and prosperity*, 25 May 2026. https://www.mckinsey.com/se/our-insights/enhancing-swedish-security-through-deterrence-and-prosperity
- PWC (2026). *Opportunities in the Swedish Defence Market*. https://www.pwc.se/sv/branscher/forsvarsindustri/opportunities-in-the-swedish-defence-industry.html
- Danske Bank (2025). *Nordic Defence Tech Report 2025*. https://danskebank.dk/-/media/danske-bank-com/pdf/growth/nordic-defence

Useful web sites

Business support

- Business Sweden https://www.business-sweden.com/sv/
- Invest in Gothenburg https://www.investingothenburg.com/
- Invest in Skåne https://investinskane.com/en
- SME-D https://sme-d.se/
- Swedish Security & Defence Industry Association (SOFF) https://soff.se/en/
- SOFF, The Defence Market (in Swedish), https://forsvarsmarknaden.se/
- Stockholm Business Region https://en.stockholmbusinessregion.se/

Government agencies

- Swedish Armed Forces www.mil.se
- Swedish Defence Materiel Administration (FMV), – Business and collaboration, https://www.fmv.se/foretag-och-samarbete/
- Inspectorate of Strategic Products (ISP) https://isp.se/eng
- Swedish Defence Research Agency (FOI) https://www.foi.se/en/foi.html

Research and innovation environments

- Chalmers Next Labs https://chalmersnextlabs.se/en/space-west-etableras-pa-chalmers-next-labs/
- Science Park Skövde ASSAR Industrial Innovation Arena https://www.assar.com
- Defence xLab https://www.defencexlab.com/sv
- LEAD - NATO's DIANA programme: https://lead.se/en/

Test centres

- FMV, FMV Land Test Centres. https://testandevaluation.fmv.se/about/test-ranges/fmv-land-test-centres/
- FOI, Vapen, skydd och säkerhet (Weapons, protection and security). https://www.foi.se/om-foi/organisation/vapen-skydd-och-sakerhet.html
- RISE https://www.ri.se/en
- Bofors Test Center https://www.testcenter.se/

Abbreviations

Abbreviation	Meaning
AEW&C	Airborne Early Warning and Control
BRG	Business Region Göteborg
C4I	Command, Control, Communications, Computers and Intelligence
C4ISR	Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance
CMIP	Civil-Military Innovation Programme
DIANA	Defence Innovation Accelerator for the North Atlantic
DSA	Designated Security Authority
EAR	Export Administration Regulations (United States)
EDF	European Defence Fund
EDIP	European Defence Industry Programme
EIB	European Investment Bank
EIF	European Investment Fund
EKN	Swedish Export Credit Agency (Exportkreditnämnden)
EKR	Export Control Council (Exportkontrollrådet)
ESS	European Spallation Source
EU	European Union
EUDIS	EU Defence Innovation Scheme
EUR	Euro
EW	Electronic warfare
FDI	Foreign direct investment
FKG	Scandinavian automotive supplier association (Fordonskomponentgruppen)
FMLOG	Swedish Armed Forces Logistics (Försvarsmaktens logistik)
FMTIS	Swedish Armed Forces Command and Control, Telecommunications and Information Systems
FMV	Swedish Defence Materiel Administration (Försvarets materielverk)
FOI	Swedish Defence Research Agency (Totalförsvarets forskningsinstitut)
FORTV	Swedish Fortifications Agency (Fortifikationsverket)
FRA	National Defence Radio Establishment (Försvarets radioanstalt)
FSC	Facility Security Clearance
GDP	Gross domestic product
ICT	Information and communication technology
ISP	Inspectorate of Strategic Products (Inspektionen för strategiska produkter)
ITAR	International Traffic in Arms Regulations (United States)
LBE	Act on Flammable and Explosive Goods (Lagen om brandfarliga och explosiva varor)

Abbreviation	Meaning
LOU	Public Procurement Act (Lagen om offentlig upphandling)
LUFS	Act on Defence and Security Procurement (lagen om upphandling på försvars- och säkerhetsområdet)
MCF	Swedish Civil Defence and Resilience Agency (Myndigheten för civilt försvar)
MEMS	Micro-electro-mechanical systems
MIP	Military Innovation Programme
MW	Megawatt
NATO	North Atlantic Treaty Organization
NCIA	NATO Communications and Information Agency
NCSC	National Cybersecurity Centre (Nationellt cybersäkerhetscenter)
NIB	Nordic Investment Bank
NIS2	EU Directive on measures for a high common level of cybersecurity (Network and Information Security Directive 2)
NORDEFCO	Nordic Defence Cooperation
NSPA	NATO Support and Procurement Agency
OEM	Original equipment manufacturer
PSC	Personnel Security Clearance
R&D	Research and development
RISE	Research Institutes of Sweden
SBR	Stockholm Business Region
SEK	Swedish krona
SEK	Swedish Export Credit Corporation (AB Svensk Exportkredit)
SI	Swedish Institute (Svenska institutet)
SIGINT	Signals intelligence
SME	Small and medium-sized enterprise
SME-D	Swedish SME Defence
SOFF	Swedish Security and Defence Industry Association (Säkerhets- och försvarsföretagen)
SOG	Special Operations Group
SOU	Swedish Government Official Reports (Statens offentliga utredningar)
SUA	Protective security agreement (Säkerhetsskyddsavtal)
TEU	Twenty-foot equivalent unit
UAS	Unmanned aerial system
UAV	Unmanned aerial vehicle
UD	Ministry for Foreign Affairs (Utrikesdepartementet)
UN	United Nations
US	United States