



 **Business Climate Survey
Singapore**

**Business Climate Survey
for Swedish companies in
Singapore2026**

A report from Team Sweden in Singapore

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Key contributors to this report

Business Sweden in Singapore
Eric Tan, Clarence Chia



63 respondents

(total +2,250 respondents for 41 markets)

Current business climate

Broadly positive view on Singapore's current business climate

Industry turnover

65%

of Swedish companies expect their industry turnover to increase

Future investments

44%

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

Globally valued success factors

- Cost efficiency
- Partnerships/ local relationships
- Collaboration/feedback from customers

Brand Sweden

59%

of Swedish companies abroad consider Brand Sweden beneficial for business

Local conditions with high satisfaction

1. Personal safety
2. Physical infrastructure
3. Financial system

Local conditions with least satisfaction

1. Labour market regulations
2. Specialists and key personnel
3. Work culture/business mindset

Environmental considerations

35%

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

Corruption

- Low risk for corruption
- 0% public, 2% private. 3rd globally on corruption index

Human rights violation and labour rights abuse

- Low risk for human rights violation and labour rights abuse
- 0% violations reported

Foreword

Welcome to the ninth annual Business Climate Survey for Swedish companies in Singapore. Since its inception in 2018, this survey has served as a barometer for how Swedish businesses perceive and navigate one of Asia's most dynamic and strategically significant markets. This year, 63 respondents – spanning various industries – shared their views on profitability, growth expectations, and the strategic factors shaping their operations. Their responses paint a picture of resilience, renewed confidence, and a growing awareness of geopolitical risk.

The survey's headline findings reflect genuine momentum. Seventy per cent of respondents report being profitable – a figure that climbs to 90 per cent among mature firms. Sixty-five per cent expect their turnover to increase over the coming year, up from 55 per cent in 2025, while 44 per cent plan to increase their investments, up from 37 per cent the previous year. Brand Sweden's standing has also strengthened – the share of respondents saying it contributes "very much" to their business has nearly doubled to 21 per cent, up from 15 per cent in 2025 and 12 per cent in 2024.

The bilateral relationship received a significant boost with the State Visit by His Majesty King Carl XVI Gustaf to Singapore in November 2024 – the first Swedish State Visit to Singapore.¹ That visit produced five memoranda of understanding across healthcare, defence, energy, civil aviation, and transport. In October 2025, Deputy Prime Minister and Minister for Energy, Business and Industry Ebba Busch visited Singapore to deepen cooperation further, signing new agreements on quantum technology and green ammonia.² These high-level engagements have opened doors and created new opportunities for Swedish companies across the innovation, energy, and advanced manufacturing sectors.

This edition also introduces a new question on the impact of United States tariff policies, reflecting the defining trade policy challenge of the moment. Responses are mixed: 44 per cent of respondents report little or no impact on their operations, while a third say they have been notably affected. The tariff environment has shifted considerably since the first US "reciprocal" tariffs took effect in April 2025, and uncertainty remains as further changes are expected later in the year. Singapore's economy nonetheless delivered 5.0 per cent GDP growth in 2025, and the Ministry of Trade and Industry has upgraded its 2026 growth forecast to 2.0–4.0 per cent.³ The city-state's fundamentals remain strong, but vigilance is warranted.

We extend our sincere thanks to the 63 companies that contributed to this year's survey. Your insights are essential – not only for informing Team Sweden's priorities, but for helping the broader Swedish business community navigate an increasingly complex operating environment. Business Sweden remains committed to supporting Swedish companies at every stage of their journey in Singapore, from market entry to expansion. We look forward to continuing that work with you.



Emil Akander
Trade Commissioner of
Sweden to Singapore,
Business Sweden



Ludvig Hermansson
Country Manager in
Singapore,
Business Sweden

¹ <https://www.mfa.gov.sg/Newsroom/Press-Statements-Transcripts-and-Photos/2024/11/20241121-2sweden>

² <https://www.government.se/press-releases/2025/10/deeper-business-cooperation-with-singapore/>

³ <https://www.mti.gov.sg/newsroom/mti-upgrades-2026-gdp-growth-forecast-to--2-0-to-4-0-per-cent-/>

Executive summary

The 2026 Business Climate Survey for Swedish companies in Singapore captures the perspectives of 63 respondents, representing a broad cross-section of Swedish enterprises operating in the city-state. The findings paint a picture of a resilient and increasingly confident Swedish business community, even as the global trade landscape introduces new complexities.

Strong financial performance and rising confidence. Seven in ten Swedish companies reported profitable operations in the past year, broadly in line with the previous survey. More notably, business expectations have strengthened: 65 per cent anticipate rising industry turnover (up from 55 per cent), and 44 per cent plan to increase investments (up from 37 per cent). Only 10 per cent of companies are considering reducing investments or exiting the market, down from 15 per cent in the prior year.

The Swedish brand is gaining ground. Nearly six in ten respondents now view the Swedish brand as contributing positively to their business in Singapore (“much” or “very much”), a marked increase from 43 per cent in the previous survey. This growing recognition reflects the cumulative effect of Sweden’s reputation for innovation, sustainability, and quality.

Navigating tariffs and trade uncertainty. The impact of US tariffs features as a new dimension in this year’s survey. While 44 per cent of respondents report little or no impact on their operations, a third indicate notable effects. Singapore’s proactive policy responses and continued investments in infrastructure provide a solid platform for businesses to navigate these headwinds.

Singapore’s enduring strengths and persistent gaps. Personal safety (8.5), physical infrastructure (8.4), and the financial system (8.3) continue to receive the highest satisfaction ratings. However, labour market regulation (6.7), access to specialist personnel (7.2), and work culture (7.2) remain at the lower end – a pattern consistent with previous years.

Sustainability and governance. Singapore maintains its exceptional standing on corruption and human rights. No respondents reported exposure to corruption from public bodies or encounters with human rights violations – the strongest results in the survey’s history.

About the survey

The ninth report conducted by Team Sweden

The 2026 Business Climate Survey was conducted by Business Sweden in Singapore for the ninth consecutive year. The aim of the survey is to provide deeper insight into Swedish companies' perspectives on Singapore's macroeconomic conditions, opportunities, challenges, and sustainability goals. The survey also takes a closer look at Swedish companies' operations, including business activities, industries, company size, and years of conducting business in Singapore.

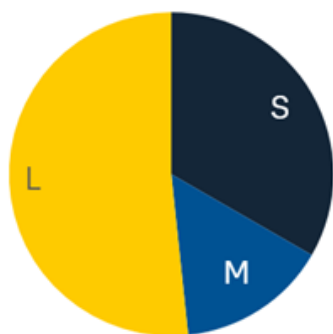
The survey was conducted in Q1 2026, with a total of 63 respondents representing Swedish companies operating in Singapore. As such, the findings reflect business sentiment prior to the escalation of geopolitical tensions in the Middle East. The respondents comprised a mix of small, medium, and large companies. To be included in the sample selection, companies must either be of Swedish origin or owned by a Swedish legal entity (such as a private limited company, branch office, joint venture, or representative office) or an individual.

Large companies, defined as those with more than 1,000 global employees, represented 50 per cent of the sample. Medium-sized companies (250 to 1,000 global employees) comprised 15 per cent, while 32 per cent were small companies with fewer than 250 employees. When looking at local headcount in Singapore, the vast majority (89 per cent) are classified as small companies with fewer than 249 local employees, while 11 per cent fall into the medium category.

The industries represented by the surveyed Swedish companies cover a wide spectrum and are grouped into three categories: industrial (55 per cent), professional services (40 per cent), and consumer companies (4 per cent). In terms of years of operations in Singapore, 50 per cent of respondents are mature companies established in or before 2004, while 39 per cent are experienced firms that established their business between 2005 and 2019. The remaining 11 per cent are newcomers who set up operations from 2021 onwards.

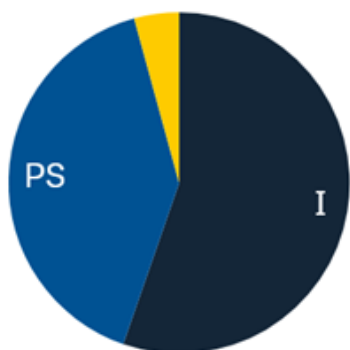
Most of the questions in this survey are similar to those used in previous editions, which allows for comparisons with past years. A global report will likewise be published. Some questions specific to the Singapore market have been added to this year's survey, including a new question on the impact of US tariffs on company operations.

Size of companies



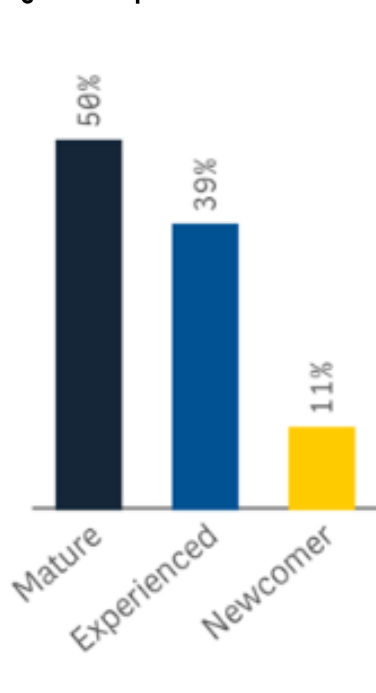
NOTE: Global employees. Large >1,000. Medium 250-1,000. Small 0-249.

Main industry



NOTE: The number of respondents for this question was 62. Industrial 55%. Professional services 40%. Consumer 4%. "Don't know/Not applicable" responses are included but not shown in figure. Figures do not sum to 100 due to rounding.
 SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

Age of companies



NOTE: Mature (-2004). Experienced (2005-2020). Newcomer (2021-).

Economic outlook

Swedish companies in Singapore remain broadly profitable

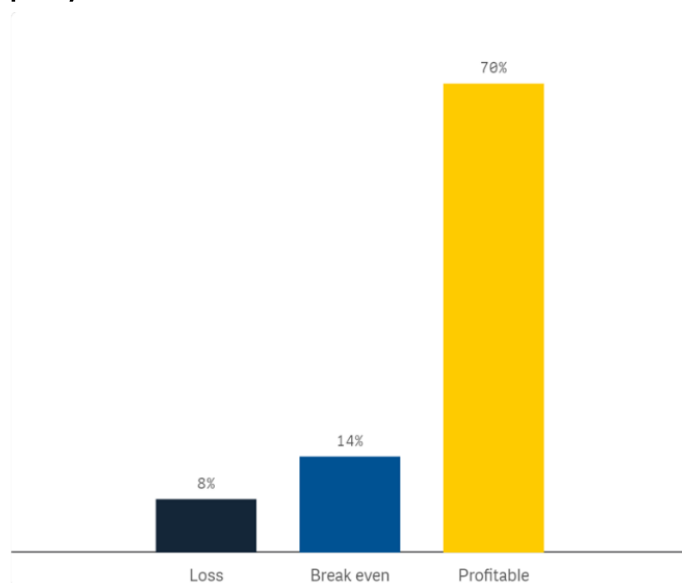
Swedish companies in Singapore have continued to perform well financially. Seventy per cent of respondents reported profitability in the past year, broadly in line with the 71 per cent recorded in the previous survey. Fourteen per cent of companies reported break-even results, while 8 per cent reported loss – a slight increase from 6 per cent in the prior year.

This continued profitability is underpinned by Singapore's strong economic performance in 2025. The economy grew by 5.0 per cent for the full year,⁴ marking its strongest expansion since 2021. Growth was broad-based, with particularly strong contributions from the manufacturing sector, which posted a 15 per cent expansion in the fourth quarter of 2025, driven by the biomedical manufacturing and electronics clusters bolstered by sustained demand for AI-related semiconductors.

Looking at the respondents' industries, industrial companies reported the highest rate of profitability at 77 per cent, followed by professional services at 63 per cent, and consumer companies at 50 per cent.

By company age, mature companies reported the highest profitability at 90 per cent, while experienced companies stood at 58 per cent and newcomers at 29 per cent.

How would you describe your company's financial performance in Singapore in the past year?



NOTE: The number of respondents for this question was 63. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026: Business Climate Survey for Swedish Companies in Singapore 2026

⁴ <https://www.mti.gov.sg/newsroom/mti-upgrades-2026-gdp-growth-forecast-to--2-0-to-4-0-per-cent-/>

Singapore's growth outlook is positive but subject to trade risks

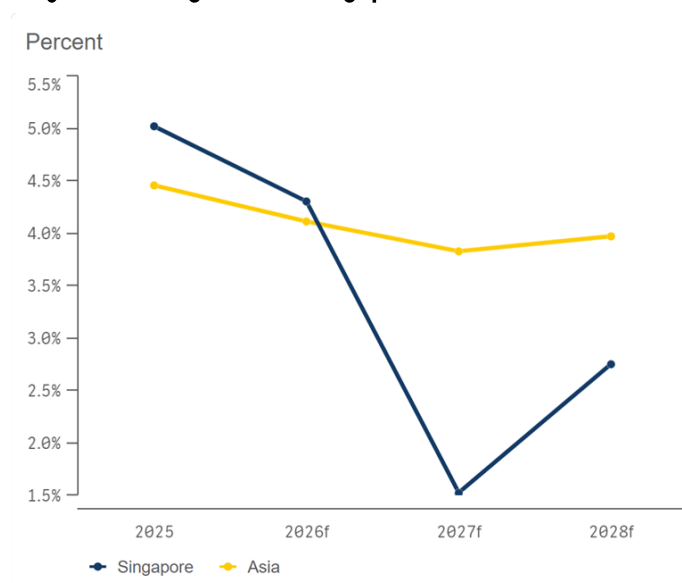
Singapore's economy delivered a full-year growth rate of 5.0 per cent in 2025, comfortably exceeding initial expectations. Manufacturing was the standout performer, surging on the back of robust demand for pharmaceuticals and AI-related semiconductors, servers, and server-related products. Singapore's role as a global semiconductor hub – accounting for approximately 10 per cent of the world's chip output and 20 per cent of semiconductor equipment production – places it squarely at the centre of the AI infrastructure build-out now driving capital expenditure worldwide.⁵

On 10 February 2026, the Ministry of Trade and Industry upgraded its 2026 GDP growth forecast from 1.0–3.0 per cent to 2.0–4.0 per cent, citing stronger-than-expected global economic conditions, expansionary fiscal policies in the United States, Germany, and Japan, and continued tailwinds from the electronics cycle.⁶

Downside risks are real and revolve principally around trade policy. Singapore's trade-to-GDP ratio exceeds 320 per cent, among the highest in the world, making it acutely sensitive to disruptions in global goods and services flows.⁷ In April 2025, Prime Minister Lawrence Wong announced the establishment of the Singapore Economic Resilience Taskforce, chaired by Deputy Prime Minister Gan Kim Yong, to coordinate the national response to the shifting trade environment.⁸

Singapore is simultaneously making long-term investments in its physical infrastructure to reinforce its position as the region's premier logistics and connectivity hub. The Tuas Mega Port – set to become the world's largest fully automated container port – now has 11 berths operational and surpassed the 10 million twenty-foot equivalent unit milestone in February 2025. At Changi Airport, ground was broken for Terminal 5 in May 2025, with Phase 1 due for completion in the mid-2030s and a capacity of 50 million passengers annually. Together, these projects underwrite the physical trade flows on which Swedish and other international companies depend.

Projected GDP growth in Singapore



NOTE: Constant prices
SOURCE: Oxford Economics 2026

⁵ <https://www.edb.gov.sg/en/our-industries/electronics-and-semiconductors.html>

⁶ <https://www.mti.gov.sg/newsroom/mti-upgrades-2026-gdp-growth-forecast-to-2-0-to-4-0-per-cent/>

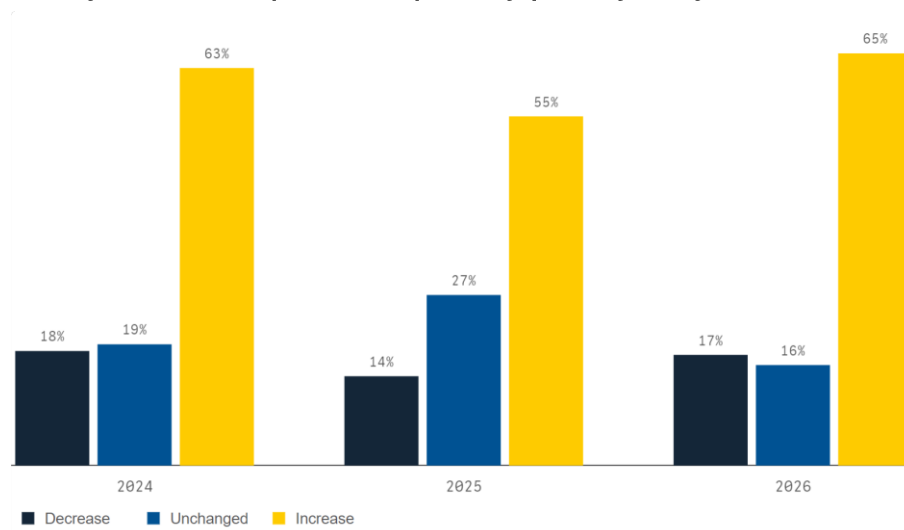
⁷ <https://data.worldbank.org/indicator/NE.TRD.GNFS.ZS?locations=SG>

⁸ <https://www.mti.gov.sg/Newsroom/Press-Releases/2025/04/Singapore-Economic-Resilience-Taskforce-SERT-to-support-businesses-and-workers>

Rising optimism on industry turnover expectations

The 2026 survey reveals a notable uptick in optimism among Swedish companies. 65 per cent of respondents expect industry turnover to increase in the coming 12 months, a significant rise from the 55 per cent recorded in the 2025 survey. Meanwhile, 16 per cent anticipate turnover to remain unchanged (down from 27 per cent), and 17 per cent expect a decrease. This stronger confidence is noteworthy in the context of the uncertain global trade environment and suggests that Swedish companies see Singapore's underlying fundamentals – its connectivity, regulatory stability, and access to the AI-driven manufacturing supercycle – as more than offsetting near-term tariff concerns.

Compared to the development in the past 12 months, what are your expectations for the coming 12 months for your industry in Singapore regarding turnover?

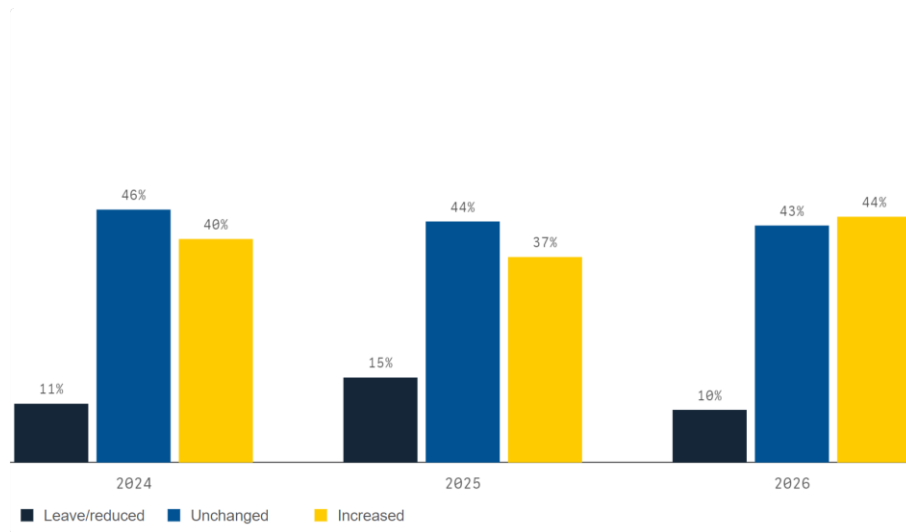


NOTE: Decrease and increase represent aggregations of slight/significant development changes. "Don't know/Not applicable" responses are included but not shown in this figure.
SOURCE: Business Sweden Climate Survey for Swedish Companies in Singapore 2026

Investment appetite has strengthened

Swedish companies are showing increased willingness to invest in their Singapore operations. Forty-four per cent of respondents plan to increase investment in the coming 12 months (38 per cent slightly, 6 per cent significantly), up from 37 per cent in the previous survey. Forty-three per cent intend to keep investments unchanged, while only 10 per cent are considering reducing investment or leaving the market – a decline from 15 per cent in 2025.

This shift in investment sentiment signals confidence in Singapore's medium-term prospects. Despite the near-term headwinds from global trade uncertainty, Swedish companies appear to be taking a strategic, long-term view. Southeast Asia continues to offer significant growth potential, and Singapore's position as the primary gateway reinforces its strategic importance.

What are your company's investment plans for the coming 12 months in Singapore, compared to the past 12 months?

NOTE: The number of respondents for this question was 63. "Don't know/Not applicable" responses are included but not shown in figure.

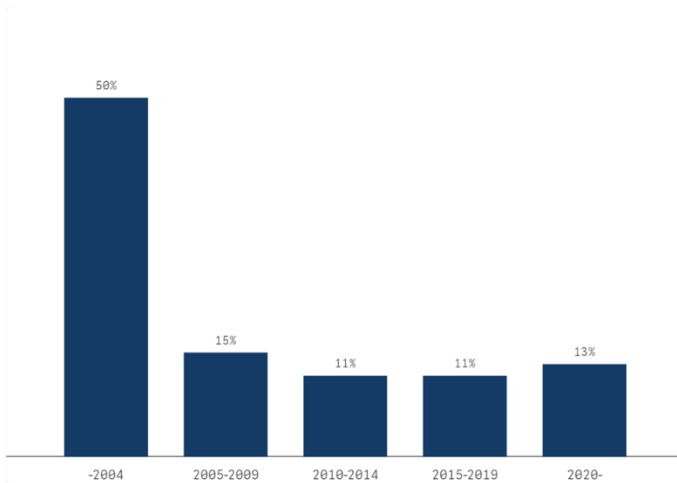
SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

The market

A mature and diverse Swedish business presence

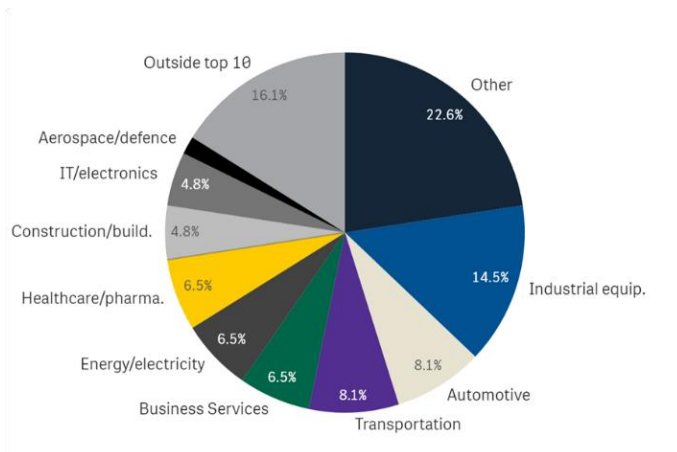
Half of the respondents (50 per cent) are mature firms established in or before 2004, reflecting a business presence built over decades. New entry has held steady since and has picked up pace from 2020 onwards – 13 per cent of respondents set up within the last six years, a faster annualised rate than any of the preceding three five-year windows.

In what year did your company establish operations in Singapore?



NOTE: The number of respondents for this question was 62. "Don't know/Not applicable" responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

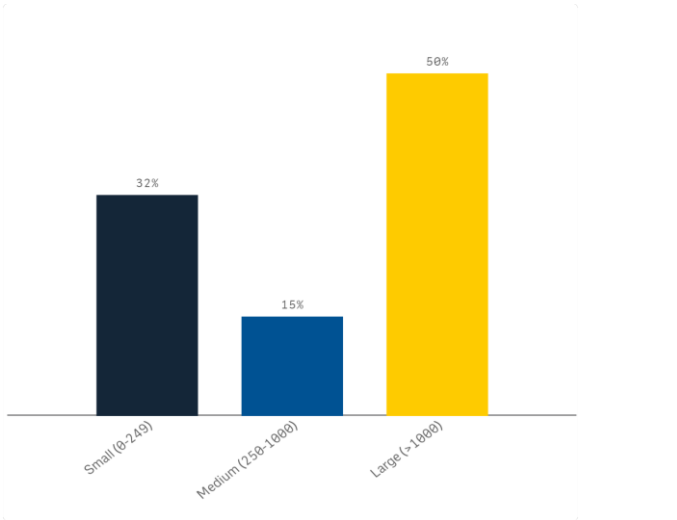
What is your company's main industry in Singapore?



NOTE: The number of respondents for this question was 62. "Don't know/Not applicable" responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

Global employee size of Swedish companies in Singapore, 2026

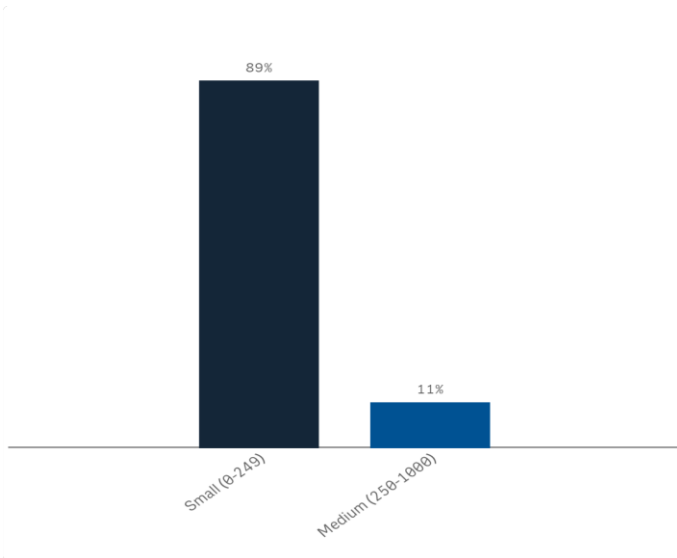
At the global level, Swedish companies in Singapore skew large. 50 per cent are large multinationals with more than 1,000 global employees, 15 per cent are medium-sized companies (250 to 1,000), and 32 per cent are small (fewer than 250). This distribution reflects Singapore’s appeal to established multinationals using the city-state as a regional base.



NOTE: The number of respondents for this question was 62. “Don’t know/Not applicable” responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

Local employee size of Swedish companies in Singapore, 2026

Although half of the Swedish companies in this survey are large multinationals with more than 1,000 employees globally, their teams in Singapore are much smaller. Eighty-nine per cent employ fewer than 250 people locally, and two out of three (66 per cent) have teams of under 50. This reflects how Swedish companies use Singapore: not as a large production base, but as a compact regional hub for managing sales, customer support, and operations across Southeast Asia.



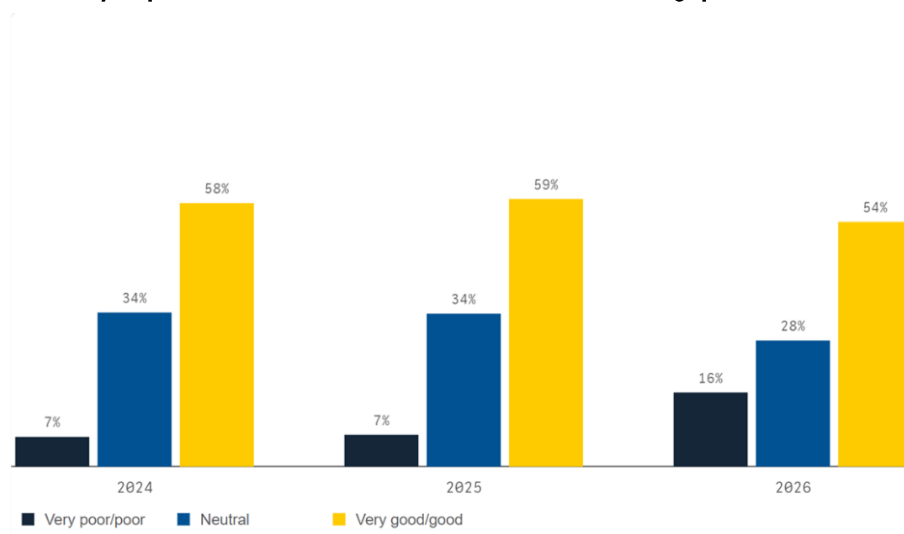
NOTE: The number of respondents for this question was 63. “Don’t know/Not applicable” responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

Perceptions of the business climate remain broadly positive

Swedish companies continue to hold a generally favourable view of Singapore's business climate, although sentiment has softened slightly compared to the previous year. Fifty-four per cent of respondents rate the current business climate as good or very good, down from 59 per cent in 2025 and 58 per cent in 2024. Twenty-eight per cent hold a neutral view, while 16 per cent perceive the climate as poor or very poor, a notable jump from the 7 per cent recorded in each of the two previous surveys.

The softer sentiment is uneven across the Swedish business community. Professional services firms remain the most positive, with around three-quarters rating the climate as good or very good. Industrial companies – more directly exposed to global trade flows and tariff uncertainty – are noticeably less upbeat, with only half expressing a positive view. The majority of Swedish companies nonetheless still view Singapore favourably.

How do you perceive the current business climate in Singapore?



NOTE: The number of respondents for this question was 61. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

Strong infrastructure and business conditions, with persistent labour market concerns

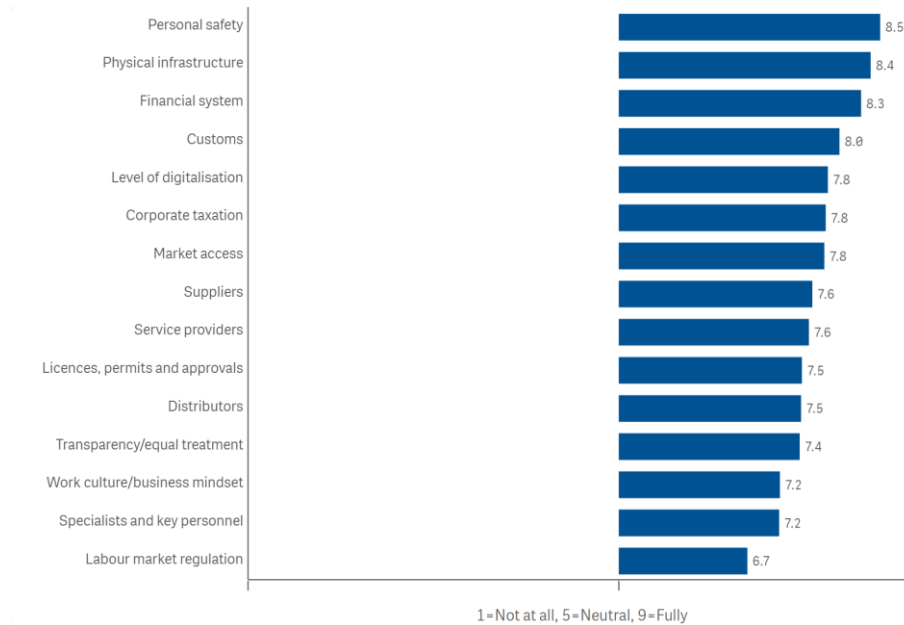
Swedish companies in Singapore view personal safety, physical infrastructure, the financial system, customs, and the level of digitalisation as the top five conditions that best meet their needs. These high ratings reflect Singapore's sustained investment in creating a secure, efficient, and business-friendly operating environment – priorities that have long been at the heart of the Singaporean government's economic strategy, and which continue to distinguish the city-state from most other markets in the region.

On the other hand, labour market regulation, work culture and business mindset, and access to specialists and key personnel continue to receive the lowest ratings – a pattern consistent across multiple years. These concerns are closely tied to the evolving work visa landscape. The Complementarity Assessment Framework (COMPASS), introduced in 2023 as a points-based system for Employment Pass applications,⁹ has progressively tightened the criteria under which foreign professionals can be hired, and minimum qualifying salaries have continued to rise. For Swedish companies competing for engineering, digital, and scientific talent in a tight regional labour market, navigating these requirements remains a tangible operational challenge.

⁹ <https://www.mom.gov.sg/passes-and-permits/employment-pass/upcoming-changes-to-employment-pass-eligibility/complementarity-assessment-framework-compass>

The Singapore government has acknowledged the pressure on access to skilled talent and continues to invest in building the local workforce through initiatives such as SkillsFuture, which supports upskilling and mid-career training across a wide range of industries. Even the lowest-rated condition scored 6.7 – well above the neutral midpoint – indicating that across all factors, Swedish companies still view Singapore's conditions as broadly favourable.

How well do the following conditions meet the needs of your company in Singapore?



NOTE: The number of respondents for this question was 63.
SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

Trade barriers remain low in Singapore

Singapore's commitment to open trade is among its defining characteristics – and a principal reason Swedish companies choose to operate here. The EU-Singapore Free Trade Agreement, in force since November 2019, has progressively eliminated virtually all customs duties on goods traded between the two parties.¹⁰ It is now complemented by the EU-Singapore Digital Trade Agreement, which entered into force on 1 February 2026 – the EU's first digital trade agreement globally – establishing a permanent ban on customs duties on electronic transmissions alongside rules on electronic authentication, data flows, and source code protection. Total EU-Singapore goods trade reached EUR 48 billion in 2024. Including services, Singapore is the EU's largest trading partner in ASEAN and its 10th-largest worldwide.¹¹

Sweden and Singapore share a strong and diversified trade relationship. According to the UN COMTRADE database, Swedish goods exports to Singapore totalled approximately USD 1.27 billion in 2024¹², spanning a wide range of high-value categories. The largest export categories were machinery and industrial equipment, mineral fuels, pharmaceuticals, optical and medical instruments, and plastics – reflecting the complementary nature of the two economies and the strength of Swedish industrial and life-sciences firms in the Singapore market.

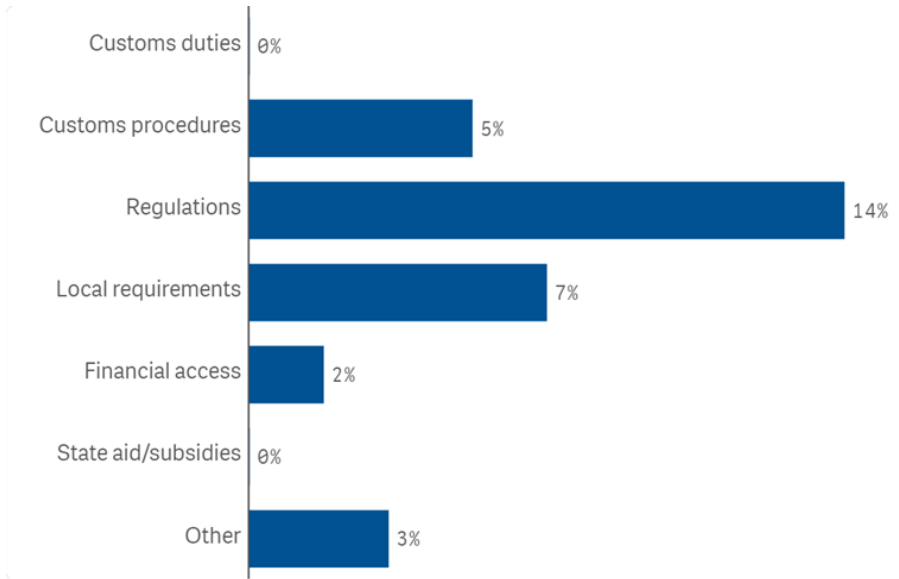
This year's survey confirms that trade barriers remain minimal for most Swedish companies in Singapore. Regulations were cited as obstacles by approximately 14 per cent of respondents, while local content requirements were cited by 7 per cent, and customs procedures by 5 per cent. Notably, zero per cent of respondents identified customs duties or state aid as barriers – a finding consistent with Singapore's free-trade architecture and the absence of significant subsidies directed at domestic competitors.

¹⁰ https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/singapore/eu-singapore-agreements_en

¹¹ https://www.eeas.europa.eu/delegations/singapore/eu-singapore-trade-and-investment-booklet-2025_en

¹² <https://tradingeconomics.com/singapore/imports/sweden>

Has your company in the past year encountered trade barriers in Singapore with a noticeably negative impact on operations, in any of the following areas?



NOTE: The number of respondents for this question was 63.

SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

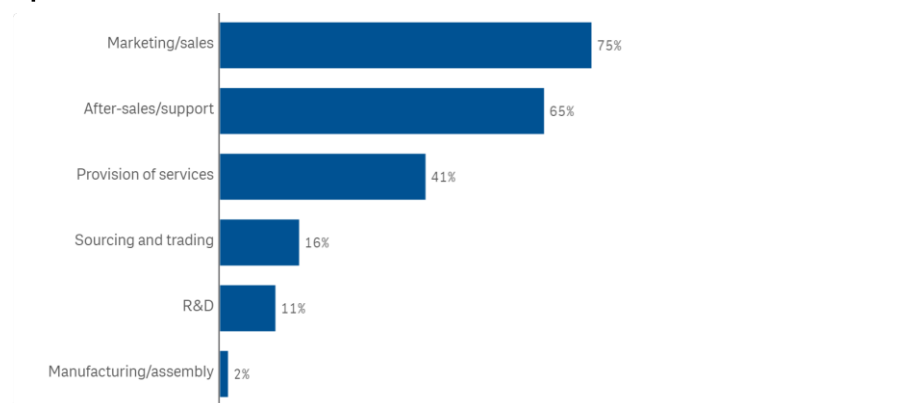
How Swedish companies succeed in Singapore

Marketing, sales, and regional headquarters remain the core activities

The most notable shift in this year's survey is a sharp decline in manufacturing and assembly activity, which has fallen from 12 per cent to just 2 per cent of respondents. This further reinforces Singapore's role as a regional command-and-control hub for Swedish companies, rather than a production base – a trend consistent with the continued migration of manufacturing activities to lower-cost locations elsewhere in the region.

Beyond this shift, the overall profile of activities has remained broadly stable. Marketing and sales continue to be the most common activity, although it has eased slightly from 81 per cent to 75 per cent, while after-sales and support has edged up from 63 per cent to 65 per cent. The provision of services is largely unchanged at 41 per cent, sourcing and trading has declined modestly from 18 per cent to 16 per cent, and R&D has declined from 14 per cent to 11 per cent.

Operations of Swedish firms in the market



NOTE: The number of respondents for this question was 63. "Don't know/Not applicable" responses are included but not shown in figure.

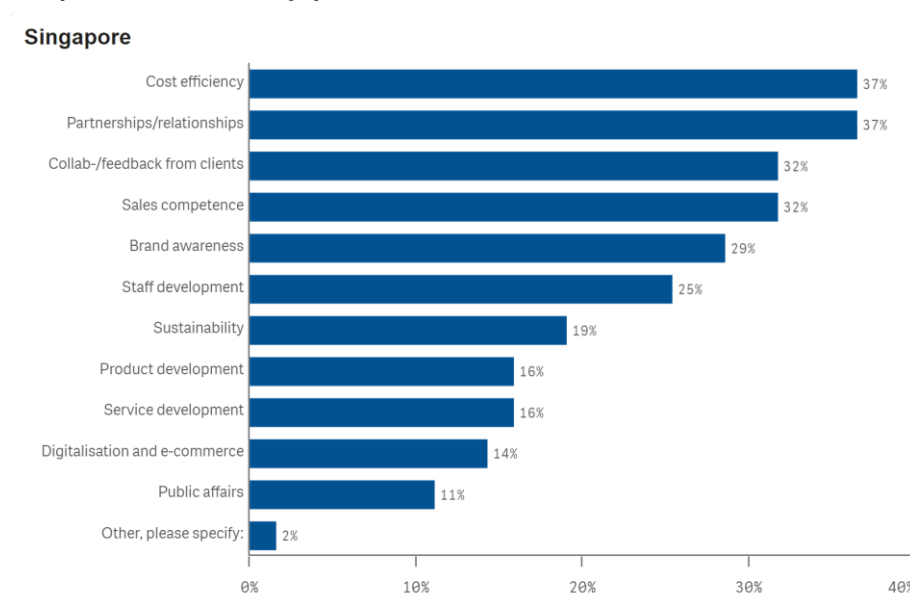
SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

Cost efficiency and partnerships drive competitiveness

When looking at what factors account for business competitiveness by Swedish companies in Singapore, cost efficiency and partnerships and local relationships jointly lead the other factors at 37 per cent each, closely followed by collaboration and feedback from customers (32 per cent), sales competence (32 per cent), and brand awareness (29 per cent). Staff development has risen to 25 per cent, while sustainability stands at 19 per cent.

This represents a notable shift from the previous year, where partnerships (44 per cent) and sales competence (41 per cent) clearly dominated. The increased emphasis on cost efficiency may reflect companies' responses to the uncertain trade environment, while the continued importance of partnerships underscores the competitive nature of Singapore's business landscape.

To date, which of the following areas have been important in maintaining competitiveness in Singapore?



NOTE: The number of respondents for this question was 63. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

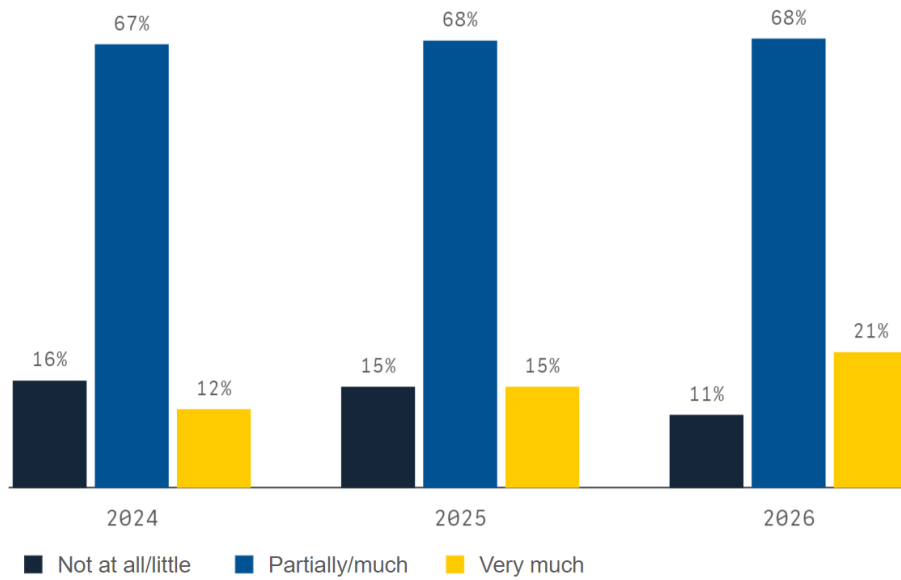
The Swedish brand bounces back as a meaningful contributor to business in Singapore

Ask any Singaporean what comes to mind when they think of Sweden, and the answers tend to arrive in a familiar order: Scandinavian design, minimalist fashion, then the household names such as H&M, IKEA, Volvo, and Spotify. Beneath those brands sits a broader association with innovation, sustainability, and quality engineering that Swedish companies in Singapore have long drawn on, with varying degrees of success. After a noticeably weaker year in 2025, that association is coming through once again.

This year, 21 per cent of respondents said the Swedish brand contributes very much to their business in Singapore, up from 15 per cent last year – the highest level in recent editions. A further 68 per cent report a partial-to-much contribution, while only 11 per cent now feel little or no benefit at all, down from 15 per cent a year ago.

The upward momentum is also consistent with a broader deepening of the bilateral relationship over the past eighteen months. Building on His Majesty King Carl XVI Gustaf's 2024 state visit and the October 2025 ministerial visit by Deputy Prime Minister Ebba Busch, Sweden and Singapore have signed a number of new agreements spanning energy and industrial transformation, healthcare and life sciences, defence, mobility, and frontier technologies such as quantum computing. For Swedish companies operating on the ground, these high-level engagements help translate Sweden's reputation into practical recognition and credibility with local partners and customers.

To what extent would you estimate that the “Swedish brand” contributes to your business in Singapore?



NOTE: The number of respondents for this question was 63. “Don’t know/Not applicable” responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

Acting sustainably

Environmental awareness is growing but remains uneven

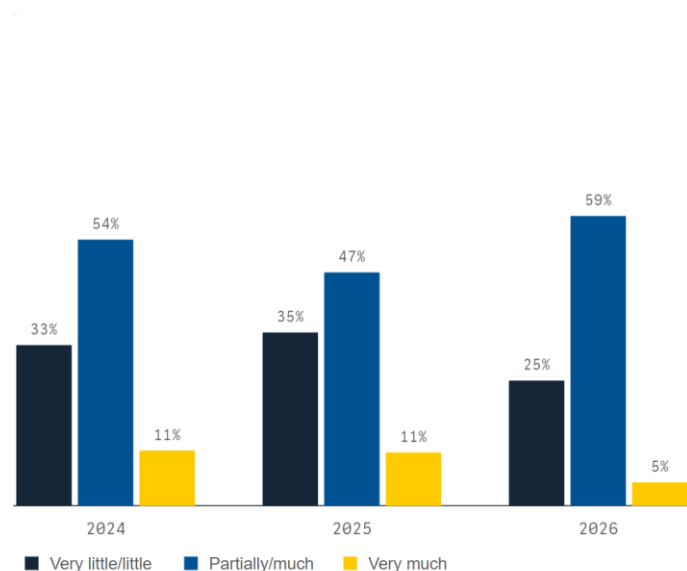
The survey results indicate that environmental considerations play a growing but still moderate role in customers' purchasing decisions in Singapore. Thirty-five per cent of respondents believe that environmental factors are a significant consideration (much or very much), while 59 per cent indicate a partial or much influence when combining categories. Twenty-five per cent report that environmental aspects have little or very little impact.

Notably, compared to previous years the 'partially/much' category has grown from 47 per cent in 2025 to 59 per cent in 2026, while the 'very little/little' category has decreased from 35 per cent to 25 per cent. This suggests a clear upward trend in environmental awareness among customers in Singapore.

Singapore's policy environment is reinforcing this shift. The carbon tax – a centrepiece of Singapore's climate policy – rose from SGD 25 (~180 SEK) to SGD 45 (~325 SEK) per tonne on 1 January 2026, with a further increase to SGD 50–80 (~360–580 SEK) planned by 2030¹³. The government has also set a target of importing approximately six gigawatts of low-carbon electricity by 2035, with 11 projects totalling 8.35 gigawatts already receiving conditional approvals¹⁴.

For Swedish companies with mature sustainability capabilities – and particularly those active in clean energy, industrial decarbonisation, and emissions monitoring – these rising compliance requirements create both a competitive advantage and new commercial opportunities.

To what extent do customers in Singapore consider environmental aspects of a product or service in their purchasing decision?



NOTE: The number of respondents for this question was 63. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

¹³ <https://www.nea.gov.sg/our-services/climate-change-energy-efficiency/climate-change/carbon-tax>

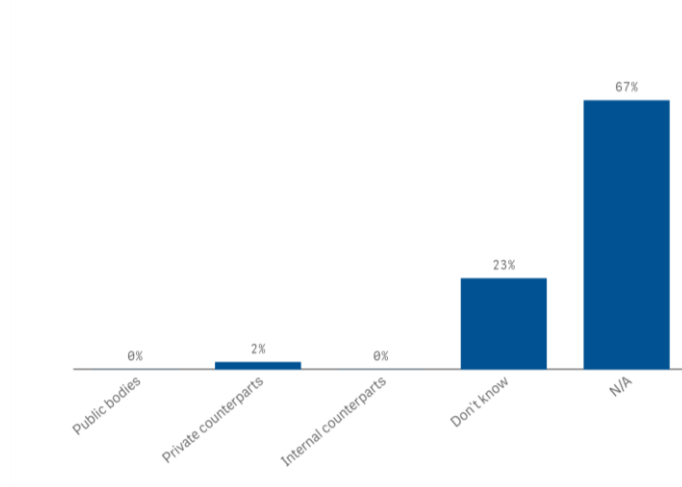
¹⁴ <https://www.mti.gov.sg/energy-and-carbon/energy-supply/low-carbon-electricity-import/>

Singapore’s zero tolerance on corruption

Singapore continues to maintain its exemplary reputation for combating corruption. In the 2025 Corruption Perceptions Index published by Transparency International in February 2026, Singapore retained its position as the third least corrupt country globally, with a score of 84 out of 100.¹⁵ It remains the top-ranked country in the Asia Pacific region and the only Asian economy to have appeared in the global top ten consistently over the past decade.

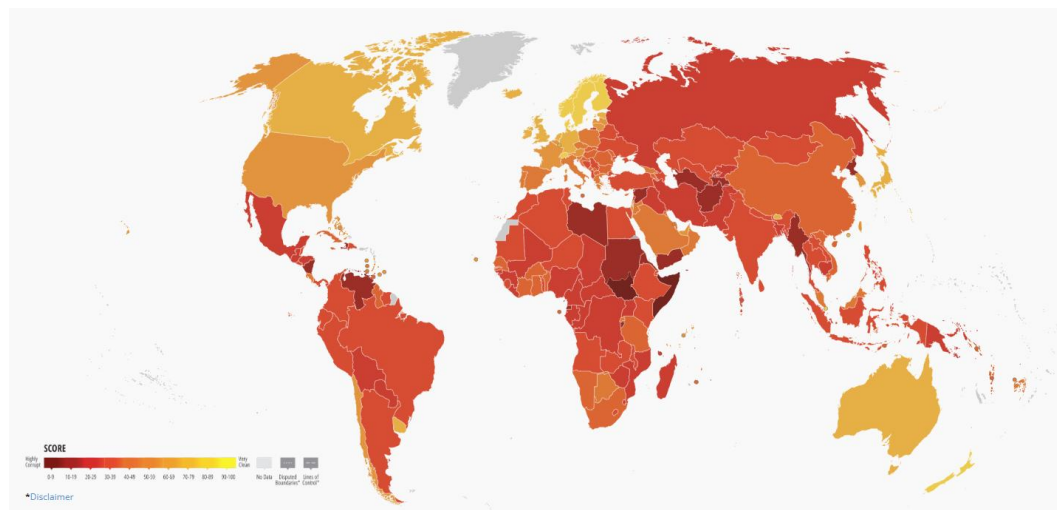
The survey results strongly reinforce this picture. Zero per cent of respondents reported exposure to corruption from public bodies, and only 2 per cent reported exposure from private counterparts. These are the strongest anti-corruption results in the survey’s history.

Has your company in Singapore been exposed to corruption such as, but not limited to, attempts of bribery or fraud in contacts with any of the following areas?



NOTE: The number of respondents for this question was 63. “Don’t know/Not applicable” responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

Corruption perception index 2025



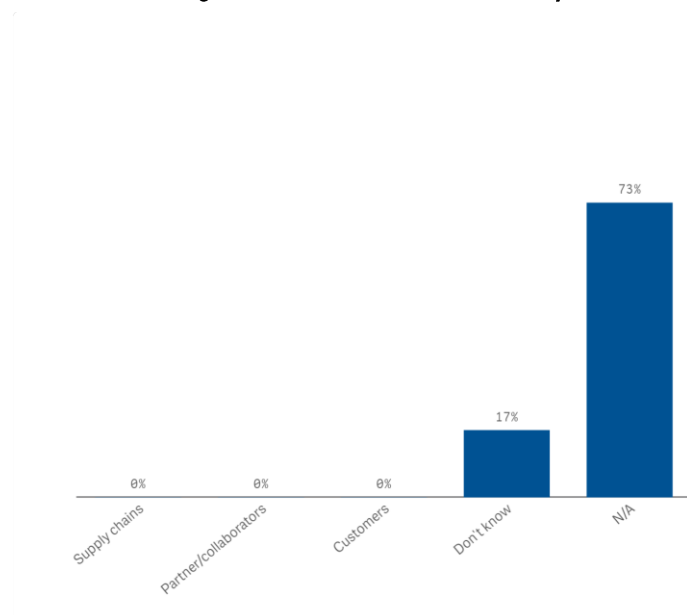
SOURCE: Transparency International

¹⁵ <https://www.transparency.org/en/cpi/2025>

No reported human rights or labour rights violations in the survey

The 2026 survey delivers the strongest human rights results to date. Zero per cent of respondents reported that they have encountered any form of human rights violation or labour rights abuse in dealings with supply chains, partners, or customers – an improvement from the 1 per cent reported in the previous year's survey. Team Sweden encourages Swedish companies to report any violations or concerns to the Ministry of Manpower in Singapore or the Swedish Embassy.

Has your company in Singapore encountered any form of human rights violations and/or labour rights abuse in contacts with any of the following areas?



NOTE: The number of respondents for this question was 63. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Singapore 2026

Conclusion

The sentiments of Swedish companies operating in Singapore in 2026 reflect a business community that is both resilient and forward-looking. Singapore continues to be highly appreciated as a country where it is easy to do business. Its strong financial sector, robust infrastructure, transparent regulatory environment, and stable political system provide a reliable foundation for long-term business planning.

Several positive trends have emerged in this year's survey. The strengthening of investment appetite, with 44 per cent of companies planning increased investments, signals genuine confidence in Singapore's medium-term prospects. The sharp rise in industry turnover expectations to 65 per cent further reinforces this optimism. The growing recognition of the Swedish brand in Singapore, with 59 per cent now viewing it as beneficial, provides an additional tailwind for Swedish enterprises.

However, challenges remain. The global trade environment, shaped by US tariffs and broader geopolitical tensions, introduces new uncertainties that particularly affect Singapore's export-oriented economy. One-third of Swedish companies report significant operational impacts from the tariff environment. The persistent concerns around labour market regulation and access to specialist personnel also merit attention.

Looking ahead, Singapore's upgraded GDP growth forecast of 2.0–4.0 per cent for 2026 provides a constructive backdrop. The AI-driven technology cycle, continued infrastructure investments, and Singapore's strong positioning as a gateway to Southeast Asia's fast-growing economies offer substantial opportunities for Swedish companies.

Singapore is also continuing to strengthen its role as a regional headquarters hub for Swedish companies, where we believe there is greater potential to move beyond sales and marketing into areas such as strategic management, innovation, and regional operations coordination. Despite a more uncertain global environment, Singapore's connectivity and business-friendly ecosystem continue to make Singapore a preferred base for managing activities across Southeast Asia for companies globally.

Team Sweden in Singapore remains committed to supporting Swedish companies on their growth journeys across the region. We welcome hearing from you and would be pleased to answer any questions.

Contact us

Business Sweden

260 Orchard Road, #07-01, The Heeren, Singapore 238855
ask.singapore@business-sweden.se
<https://www.business-sweden.com/markets/asia-pacific/singapore>

Swedish Chamber of Commerce

260 Orchard Road, #07-01, The Heeren, Singapore 238855
info@swedcham.sg
<https://www.swedcham.sg/>

Embassy of Sweden

1 Temasek Avenue, #14-03 Millenia Tower, Singapore 039192
ambassaden.singapore@gov.se
<https://www.swedenabroad.se/en/embassies/singapore-singapore/>

