



# **BUSINESS CLIMATE SURVEY FOR SWEDISH COMPANIES IN PORTUGAL 2025**

A REPORT FROM TEAM SWEDEN IN PORTUGAL

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## KEY CONTRIBUTORS TO THIS REPORT

Embassy of Sweden in Portugal

Business Sweden Spain & Portugal

Swedish-Portuguese Chamber of Commerce

# FOREWORD

Sweden and Portugal share a long-standing relationship characterised by shared interests and strong diplomatic and trade ties dating back to the 17th century. As relatively small yet outward-looking economies within the European Union, both countries are committed to openness, innovation, and global free trade.

In recent years, Portugal has become an increasingly attractive destination for Swedish businesses seeking new sales and investment opportunities. This is reflected in a substantial increase in bilateral trade, with imports from Portugal to Sweden rising by 260 per cent since 2014 – making Portugal one of Sweden's 30 most important trading partners. Today, over 120 Swedish companies operate across a wide range of sectors in the Portuguese market.

Portugal's economic resurgence following the global financial crisis has been remarkable. With growth projections that continue to outpace many of its European peers, the country is emerging as a key economic player in the region. As its importance grows, so does the need for a deeper understanding of the local business landscape and the opportunities it offers Swedish enterprises.

To that end, the Embassy of Sweden in Portugal, Business Sweden, and the Swedish-Portuguese Chamber of Commerce have jointly conducted a Business Climate Survey among Swedish companies operating in Portugal. The survey aims to evaluate the performance of Swedish companies in the country, identify key opportunities and challenges, and explore ways to address them. The insights gathered will be a valuable resource in guiding efforts to support the Swedish industry in Portugal and further strengthen the already robust trade relations between our two countries.

Active participation from the Swedish business community is crucial in creating a representative picture of how Swedish companies perceive the Portuguese market. We extend our sincere gratitude to the participating companies for the valuable knowledge and insights they have shared –to the benefit of all involved.



**Mrs. Elisabeth Eklund**  
Ambassador of Sweden to  
Portugal



**Mrs. Samira Grylin-Allalou**  
Trade Commissioner,  
Business Sweden Spain &  
Portugal



**Mrs. Jennifer Ekström**  
Chairwoman, Swedish-  
Portuguese Chamber of  
Commerce

# 37 respondents in Portugal

## Current business climate

# 41%

of Swedish companies indicate a good or very good business climate

## Industry turnover

# 73%

of Swedish companies expect their industry turnover to increase

## Future investments

# 51%

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

## Valued success factors in Portugal

Partnerships/relationships  
Cost efficiency  
Brand awareness

## Brand Sweden

# 71%

of Swedish companies in Portugal consider Brand Sweden beneficial for business

## Local conditions with high satisfaction

1. Personal safety
2. Infrastructure
3. Service providers

## Local conditions with least satisfaction

1. Corporate taxation
2. Licences and permits
3. Labour regulations

## Environmental considerations

# 58%

of respondents believe environmental considerations are a considerable factor in customers' purchasing decisions

## Corruption

Swedish companies in Portugal perceive the risk of corruption as low

## Human rights violations and labour rights abuse

Swedish companies in Portugal perceive the risk of human rights violations and labour rights abuse as low



# ABOUT THE SURVEY

## Survey results based on responses from 37 Swedish companies in Portugal

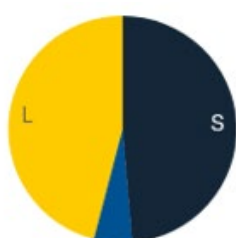
Out of approximately 120 Swedish companies active in Portugal, 99 were invited to participate in a survey aimed at understanding how they perceive the business climate in the market. Connected to this, the survey also explores how Swedish companies operating in the Portuguese market experience the market conditions, the economic situation today and the outlook in the near future. Thirty-seven companies responded to the survey, which was conducted in February-March of 2025, resulting in a response rate of 38 per cent.

This report presents the survey results in the context of the Portuguese market and is divided into four main sections. The first section covers the economic outlook and elaborates on the economic situation and business performance of the Swedish companies and their outlook for the Portuguese market in the coming 12 months. The second section deals with the Portuguese market itself, respondents' viewpoints on the business climate, and what factors influence their commercial results. The third section discusses Swedish companies' operations and perceived success factors in the market, while the last section addresses how sustainability considerations are reflected in the market.

Out of the companies represented in the survey, nearly half of them (46 per cent) are large companies with more than 1000 employees globally, five per cent of the companies are medium-sized with between 250-1000 global employees, while 49 per cent are classified as small companies with less than 250 global employees.

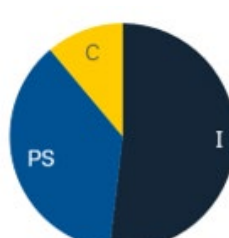
The wide range of sectors that the responding Swedish companies represent are grouped into three broad categories: industrial companies (52 per cent), professional services (37 per cent) and consumer goods companies (11 per cent). In terms of experience in the Portuguese market, 32 per cent of the responding companies established operations in Portugal prior to 2003 (Mature), 38 per cent of the companies between 2004 and 2019 (Experienced) and 29 per cent after 2019 (Newcomer).

**SIZE OF COMPANIES**



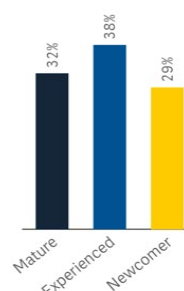
NOTE: Global employees. Large (L) >1000. Medium (M) 250-1000. Small (S) 0-249.

**MAIN INDUSTRY**



NOTE: Industrial (I) 52%. Professional services (PS) 37%. Consumer (C) 11%

**AGE OF COMPANIES**



NOTE: Mature (<2003). Experienced (2004-2019). Newcomer (2020-)

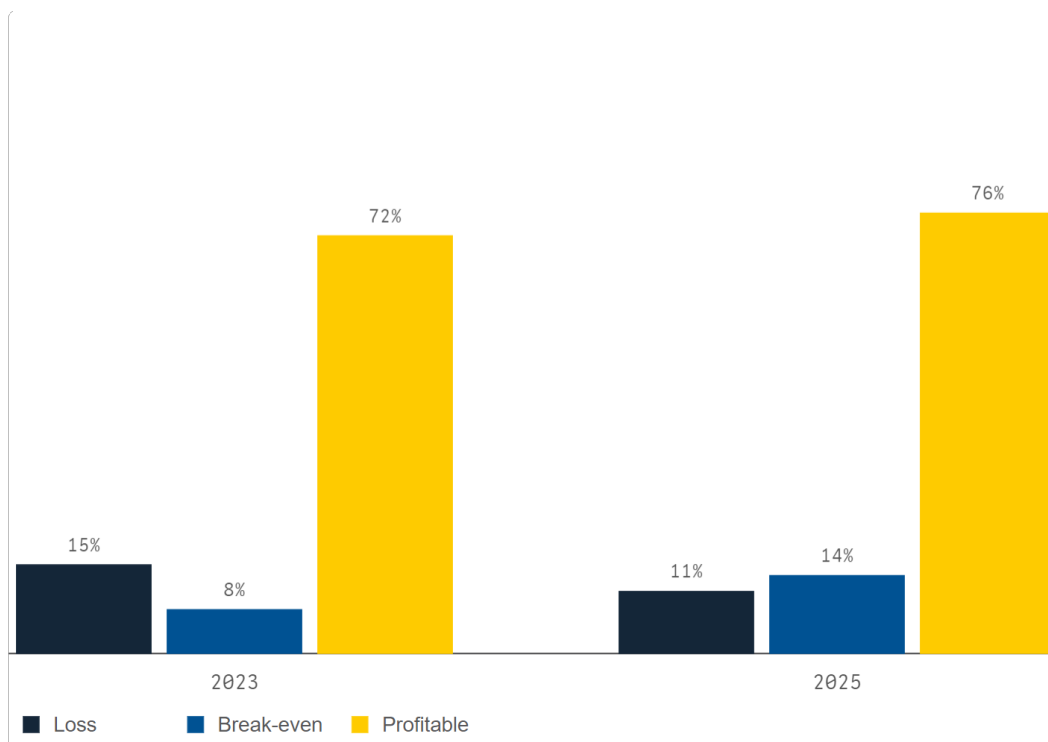
# ECONOMIC OUTLOOK

## 2024 was profitable for most Swedish companies, particularly mature firms

Three out of four companies surveyed (76 per cent) reported a profitable year in 2024, marking a slight improvement compared to previous survey results from 2022. As in 2022, the share of profitable companies varies substantially with the size of the companies: while 94 per cent of large-sized companies reported a profitable 2024, this figure drops to 50 per cent for medium-sized companies and 61 per cent for small companies. Similarly, only six per cent of large companies reported a loss or break-even in the past year, compared to 50 per cent of medium-sized companies and 39 per cent of small companies. These differences also appear when looking at maturity in the market. While 91 per cent of mature companies experienced a profitable 2024, the figure drops to 77 per cent and 50 per cent for experienced and newcomers, respectively.

The overall positive performance is consistent across sectors as well – all surveyed consumer goods companies reported profitability, as did 79 per cent of industrial and 70 per cent of professional services companies, with little change since 2022. Corresponding results for loss and break-even are also comparable to 2022, with 30 per cent of professional services and 21 per cent of industrial companies falling into these categories in 2024.

### HOW WOULD YOU DESCRIBE YOUR COMPANY'S FINANCIAL PERFORMANCE IN PORTUGAL IN 2024?



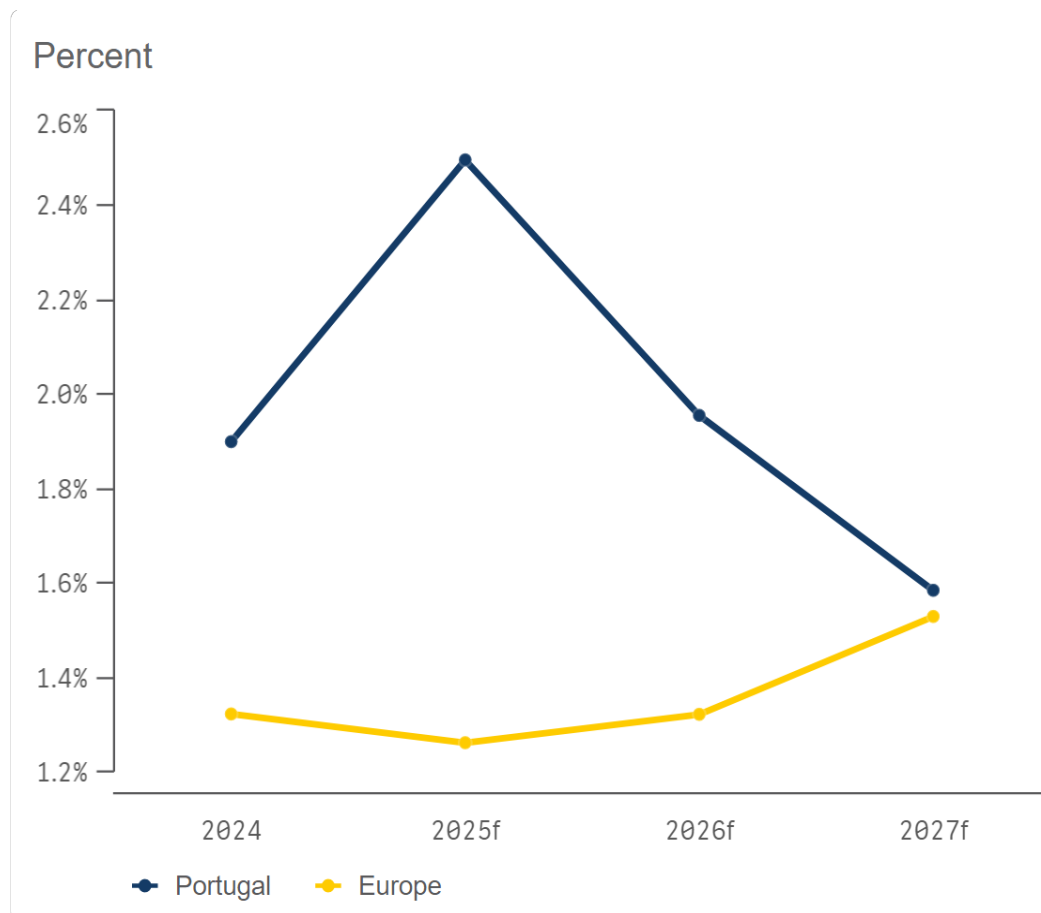
NOTE: The number of respondents for this question was 37. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

## The Portuguese economy is still an EU outperformer, but growth is expected to cool down further ahead

Having enjoyed the strongest economic growth in decades during 2021 and 2022, Portugal's growth is projected to continue outperforming other European markets in the coming years, albeit with a reduced margin. Annual GDP growth for 2024 surpassed analyst consensus, coming in at 1.9 per cent. Commonly quoted reasons for the elevated growth are the ECB's interest rate cuts and implementation of European funds, along with a favourable inflation trajectory and stabilisation of national unemployment. Growth is expected to rise above 2.4 per cent for 2025 to subsequently fall back under the two per cent mark, still above EU growth forecasts. Nonetheless, concerns are growing as Portugal increasingly faces problems with its housing market, where bureaucracy surrounding new construction, previous interest rate hikes, and temporary tourist residences have contributed to rising house prices, particularly in the larger cities.

### PROJECTED GDP GROWTH IN PORTUGAL



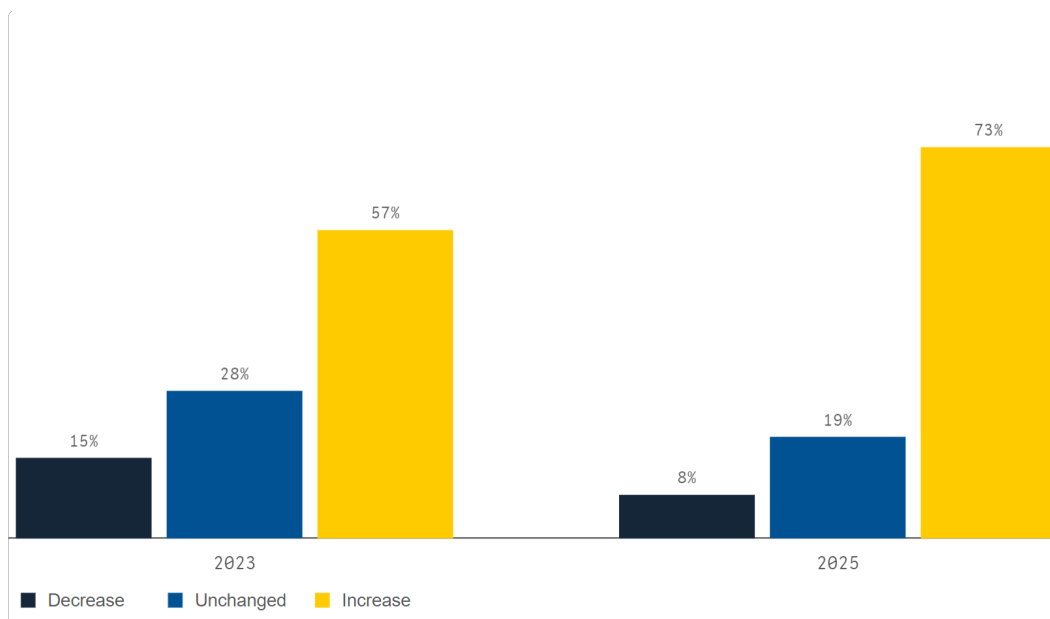
NOTE: Constant prices.

SOURCE: Oxford Economics, 11 March 2025. Caixa Bank Research, 17 March 2025.

## Swedish companies have a positive outlook in light of the strong Portuguese economy

The positive economic development of recent years in Portugal also appears to have translated into more business opportunities for Swedish companies present there. When asked about the short-term outlook in Portugal, Swedish companies showed an increased degree of optimism in 2025, with 73 per cent expecting increased turnover, whereas that number was 57 per cent two years earlier. Although the more positive outlook is visible across all types of companies, newcomers stand out, with 98 per cent expecting higher turnover in the coming year, up from 82 per cent when last asked. On the other hand, mature companies manifest the most notable change since the last survey – 73 per cent of mature companies expect increased turnover this year, compared to 40 per cent holding this view in the last survey. The pattern of broad increases in turnover optimism is consistent across sectors, with the share of companies expecting a higher turnover increasing in industrial, consumer, and professional services sectors alike.

### COMPARED TO THE DEVELOPMENT IN THE PAST 12 MONTHS, WHAT ARE YOUR EXPECTATIONS FOR THE COMING 12 MONTHS FOR YOUR INDUSTRY IN PORTUGAL REGARDING TURNOVER?



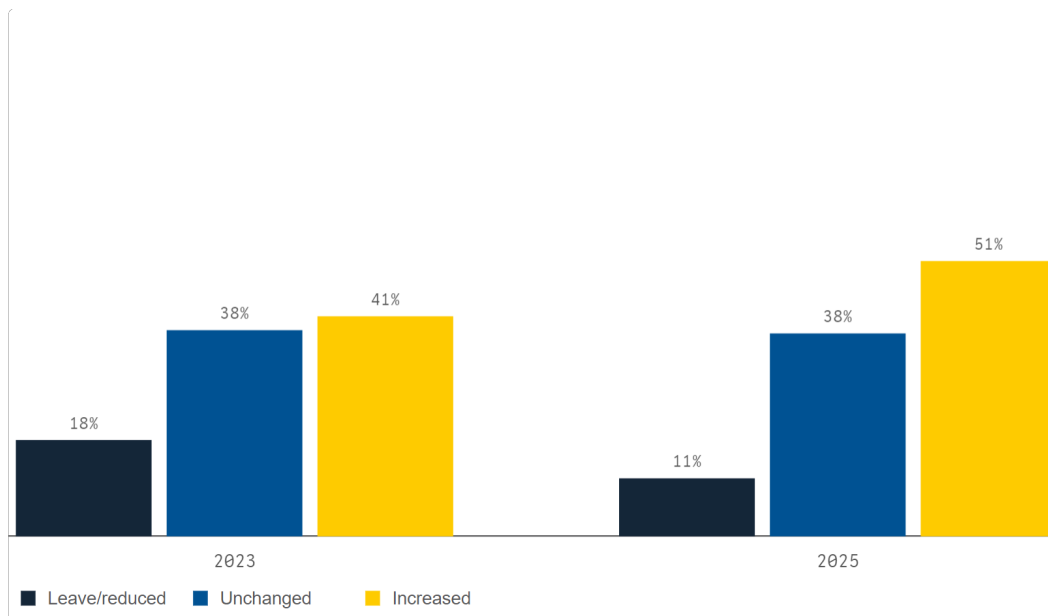
NOTE: The number of respondents for this question was 37. Decrease and increase represent aggregations of slight/significant development changes. "Don't know/Not applicable" responses are included but not shown in this figure.  
SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.



## Increased investment appetite among Swedish companies, with newcomers standing out

The increasing optimism about turnover is also reflected in the short-term investment outlook, though the increase is not as strong as for the turnover outlook. Fifty-one per cent of the surveyed companies believe their investments will increase short-term, up from 41 per cent in 2023. Newcomer companies account for most of this increase, with 68 per cent expecting higher investments, nearly doubling from the 36 per cent who gave that answer in 2023. On the other hand, companies foreseeing reduced investment or market exit are mainly found in the professional services sector, where 30 per cent expect lower activity in the coming 12 months. The largely positive development in the last two years seems logical considering Portugal's favourable macroeconomic development, with stabilising inflation and unemployment potentially indicating a more stable and predictable economy.

### WHAT ARE YOUR COMPANY'S INVESTMENT PLANS FOR THE COMING 12 MONTHS IN PORTUGAL, COMPARED TO THE PAST 12 MONTHS?



NOTE: The number of respondents for this question was 37. Reduced and increased represent aggregations of slight/significant development changes. "Don't know/Not applicable" responses are included but not shown in this figure.  
SOURCE: Business Climate Survey for Swedish companies in Portugal 2025

# THE MARKET

## Portugal: a stepping stone for business to South America and Africa

Portugal is the 16th largest economy in the EU, with a population of 10.6 million people. Sweden and Portugal maintain long-standing trade relations, having signed the first agreement of friendship, freedom of commerce, navigation, and religious worship in 1641. Since then, both countries have preserved continuous relations with diplomatic representation in each one of the capitals.

These trade relations also materialise in growing trade. According to Kammarkollegiet, Sweden exported goods and services to Portugal with a value of EUR 850 million in 2024, while imports from Portugal stood at EUR 1.10 billion. The growth in trade between the countries has accelerated over the past five years. While Swedish exports to Portugal have increased on average by five per cent annually between 2019 and 2024, imports from Portugal have grown by 15 per cent annually during the same period at current prices.

The composition of exports from Sweden to Portugal has remained mostly the same throughout the years, mainly consisting of:

- industrial machinery
- fish and crustaceans
- pharmaceuticals

Imports from Portugal to Sweden have grown quickly over the past decade, particularly in the imports of machinery products. The leading imported products in 2024 were:

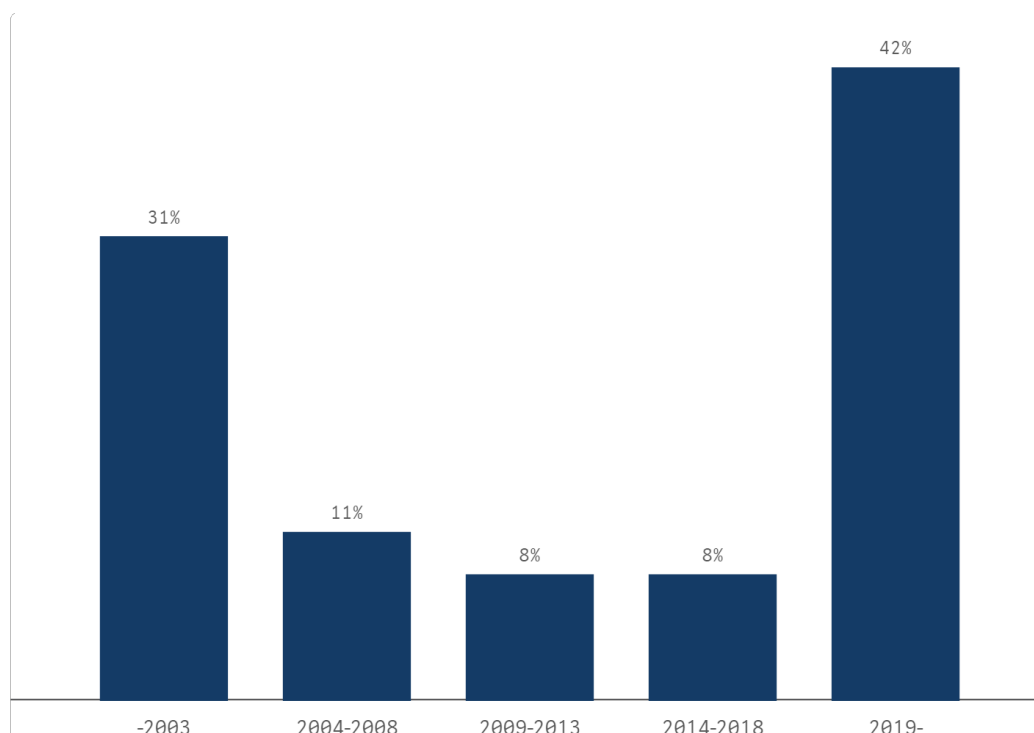
- electrical machinery
- ores
- mechanical appliances
- articles of apparel and clothing accessories

Factors making Portugal an attractive market for business include its start-up-friendly ecosystem, with several start-up incubators and accelerators across the country, combined with governmental incentives and favourable tax schemes for companies in specific sectors. Moreover, key sectors of the Portuguese economy are tourism and hospitality, renewable energy, technology and innovation, supported by an energy mix with a high share of renewables. Additionally, Portugal's historical and cultural ties with several African countries, such as Angola and Mozambique, and with Brazil in South America, position Portugal as a bridge to a wider global market in several sectors.

Also worth mentioning is that Portugal often acts as a global meeting place, hosting large conferences such as the Web Summit in Lisbon. In addition, Portugal attracts large investments for nearshoring, with numerous companies choosing Portugal to establish their IT operations, development hubs, or global sales centres.

The Swedish companies present in the Portuguese market have been operating there for varying amounts of time, which is reflected in the composition of survey participants. Thirty-two per cent have been in the market for more than 20 years, 38 per cent for five to 19 years, and 29 per cent for less than five years. While mature companies report the best financial performance for 2024, newcomers show the most optimism regarding future growth and investments, possibly indicating that Portugal is a market of growing relevance for Swedish companies.

### IN WHAT YEAR DID YOUR COMPANY ESTABLISH OPERATIONS IN PORTUGAL?

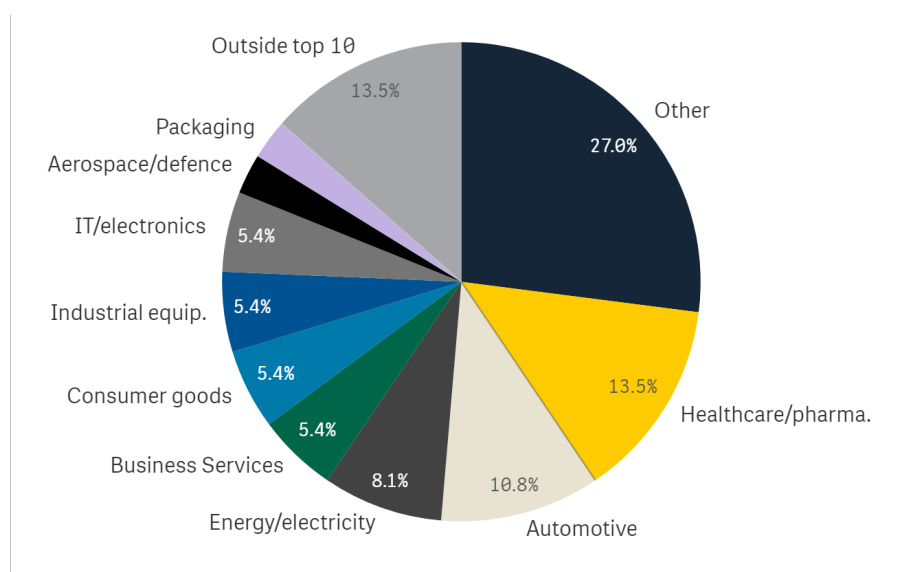


NOTE: The number of respondents for this question was 37. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

Swedish companies in Portugal operate in a wide range of sectors, but many of them can be related to some of the most important ones in the Portuguese economy, such as the 13.5 per cent active within healthcare and 10.8 per cent within automotive. Furthermore, 40.5 per cent of the respondents represent companies in industries outside the top 10 Swedish export industries, potentially indicating the diversity of new sectors emerging in the country.

### WHAT IS YOUR COMPANY'S MAIN INDUSTRY IN PORTUGAL?

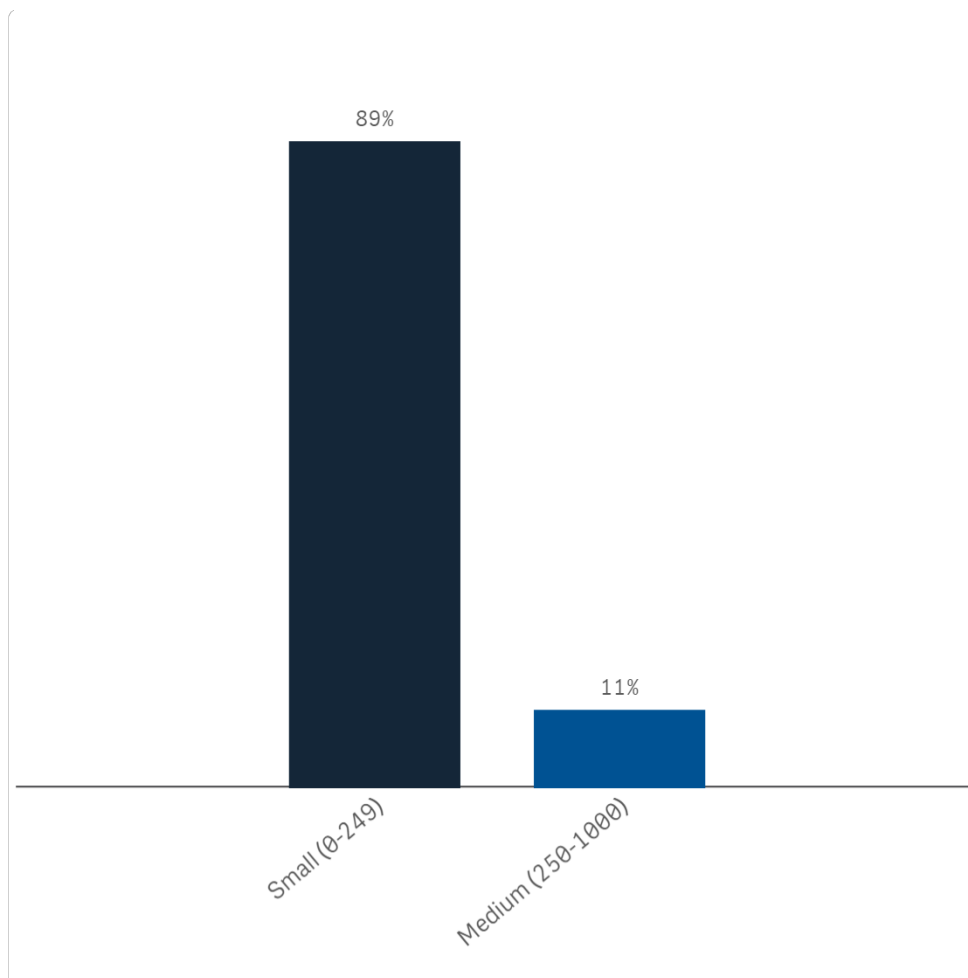


NOTE: The number of respondents for this question was 37. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

As expected, most of the responding Swedish companies (89 per cent) operating in Portugal employ fewer than 250 employees locally. A substantially smaller percentage, 11 per cent, employ a local workforce of 250 local employees or more, with only one respondent representing a company with more than 500 local employees.

#### SWEDISH FIRMS' LOCAL NUMBER OF EMPLOYEES IN PORTUGAL IN 2025



NOTE: The number of respondents for this question was 37. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

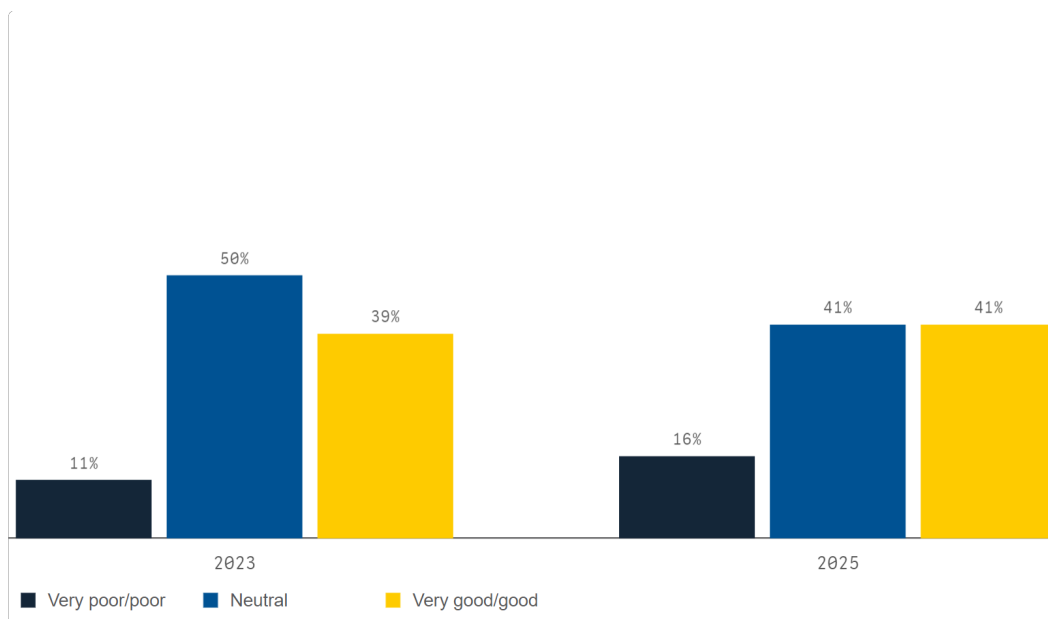
## An overall positive view of the business climate in Portugal among Swedish companies

The responses in this year's survey reveal a cautiously positive view of the business climate among Swedish companies in Portugal, somewhat more positive than two years ago. Like then, most respondents are either neutral or positive in their view, with the share holding a neutral outlook decreasing somewhat in favour of groups holding a negative or positive view. In numbers, this translates to 41 per cent indicating the business climate as good or very good, another 41 per cent as neutral, and 16 per cent viewing it as poor or very poor.

Notably, newcomers view the business climate the most favourably, with 63 per cent viewing it favourably compared to 25 per cent with negative perceptions. This can be compared with mature companies, which are divided into equal camps across the negative, neutral and positive sentiments, and experienced companies where a 73 per cent majority hold a neutral view.

In addition, some companies raised specific issues when commenting on the business climate. Navigating the public sector and regulations constituted a common theme for many of them. For instance, restrictive labour laws and the need for government approvals were raised as factors slowing expansion in the healthcare sector, while a lack of transparency in public procurement is voiced as a barrier in the industrial sector. However, positive aspects were also highlighted, such as the promising Portuguese talent pool and quality of life. The national restriction on holiday rentals, introduced around the time of the last survey to control residential prices, was lifted in 2024, potentially making Portugal a more attractive destination for relocation and real estate investment.

#### HOW DO YOU PERCEIVE THE CURRENT BUSINESS CLIMATE IN PORTUGAL?



NOTE: The number of respondents for this question was 37. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

## While safety and infrastructure are viewed favourably, bureaucracy remains an obstacle

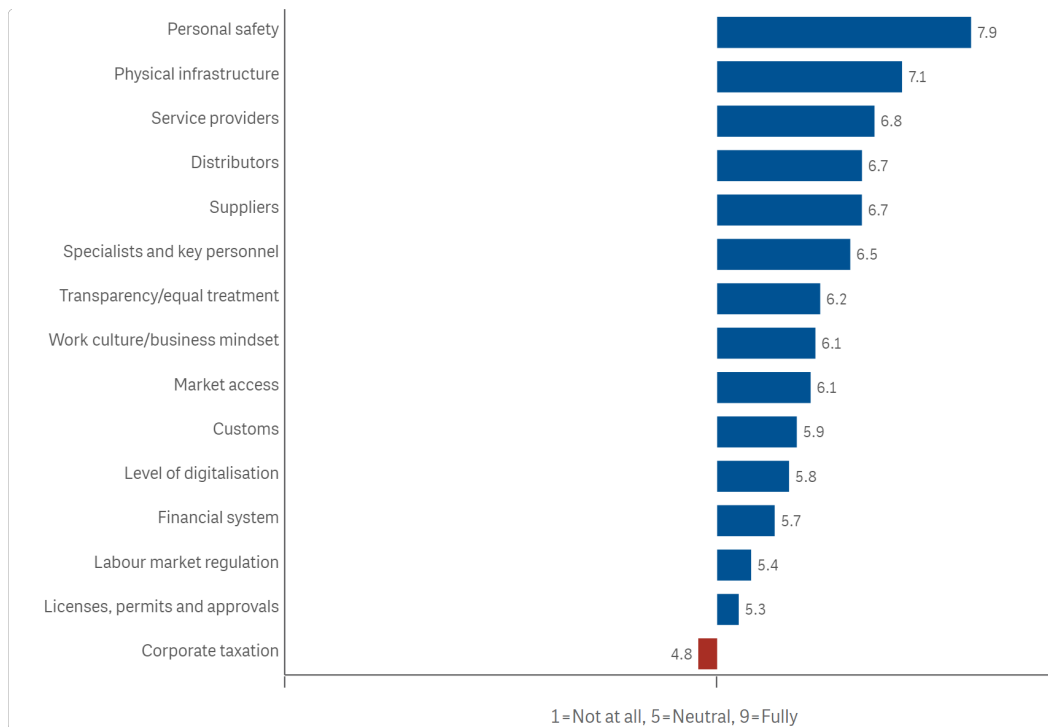
To further understand the state of the Portuguese market and its business climate, it is important to clarify which market conditions meet the needs of Swedish companies present in the market and where they fall short. Therefore, Swedish companies were asked to evaluate to what degree different market conditions meet their needs in the Portuguese market.

As in the previous study, factors relating to basic societal functions, such as personal safety and physical infrastructure, rank the highest, while also market-related factors, like service providers, distributors, and suppliers, are ranked favourably. At the bottom end, and consistent with previous insights, conditions relating to bureaucracy and administration are found – corporate taxation, licencing, and labour market regulations are noted as the main shortfalls of the Portuguese market structure. Although the relative ranking of specific conditions has changed somewhat since the last survey, the main conclusion remains: while the Portuguese market has room for improvement in the areas of facilitating regulatory procedures, Swedish companies in Portugal find a safe and functional market infrastructure with a thriving ecosystem of suppliers and service providers.

Among the more notable developments, the score for the level of digitalisation has remained virtually the same, dropping to 5.8 from 5.9 in the last survey. Portugal ranked 15 out of the 27 EU member states in the latest Digital Economy and Society Index (DESI) developed by the European Commission in 2022, compared to Sweden's ranking of second. Seemingly, little improvement has

been achieved so far. In a time of increasing emphasis on data-driven decisions and expanding AI capabilities, digitalisation remains a priority for Portugal to ensure competitive market conditions for both domestic and foreign companies.

### HOW WELL DO THE FOLLOWING CONDITIONS MEET THE NEEDS OF YOUR COMPANY IN PORTUGAL?



NOTE: The number of respondents for this question was 37.

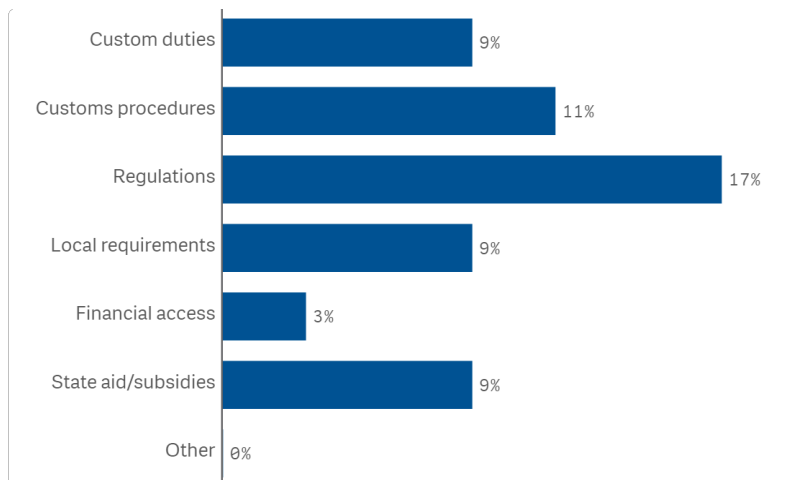
SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

## Nearly a fifth of Swedish companies are hindered by regulations when doing business in Portugal

According to Swedish companies operating in Portugal, several factors create trade barriers that have a negative impact on business operations in the country. Seventeen per cent of the participating companies have encountered trade barriers related to regulations, constituting the most significant barrier to doing business in Portugal. Issues related to customs were also mentioned as common frustrations, with 11 per cent citing customs procedures and nine per cent mentioning duties as trade barriers in Portugal. Notably, smaller companies seem to be more affected by issues relating to customs, while larger companies are hindered by regulations and navigating state aid and subsidies. For instance, 17 per cent of small companies mention customs procedures as an important impediment, while that figure is only seven per cent for large companies. Conversely, 13 per cent of large companies voice state aid and subsidies as an issue, and only six per cent of small companies express the same sentiment.



### HAS YOUR COMPANY IN THE PAST YEAR ENCOUNTERED TRADE BARRIERS IN PORTUGAL WITH A NOTICEABLY NEGATIVE IMPACT ON OPERATIONS, IN ANY OF THE FOLLOWING AREAS?



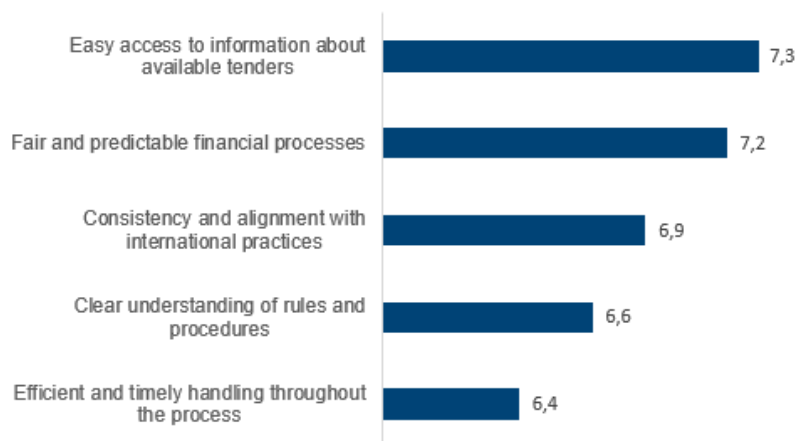
NOTE: The number of respondents for this question was 37.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

## Public tender information is accessible, but participation remains unclear

The public sector constitutes a large part of the demand in many sectors, and Portugal is no different, with government expenditure accounting for 42 per cent of national GDP in 2023. Therefore, Swedish companies were also asked to what degree different aspects of the Portuguese public procurement processes meet their companies' needs. On average, factors relating to procedures are perceived as relatively less well-functioning, exemplified by process handling and understanding of procedures being the lowest-ranked factors. On the other hand, information on available tenders and the financial processes involved are the highest-ranking aspects of the procurement processes. While information on potential business opportunities in the public sector is perceived as satisfactory, information on how to participate and compete for these opportunities is not.

### HOW WELL DO THE FOLLOWING ASPECTS OF PUBLIC PROCUREMENT PROCESSES IN PORTUGAL MEET YOUR COMPANY'S NEEDS?



1=Not at all, 5=Neutral, 9=Fully

NOTE: The number of respondents for this question was 37.

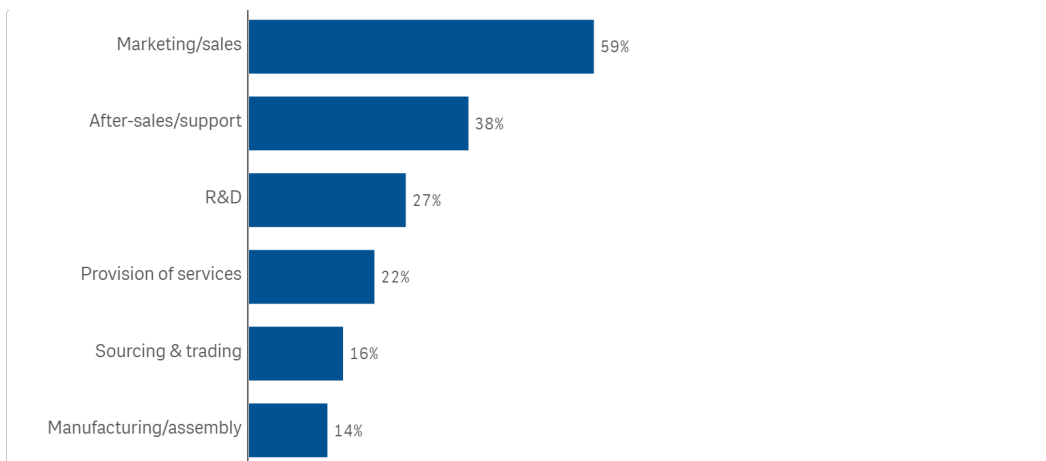
SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

# HOW SWEDISH COMPANIES SUCCEED IN PORTUGAL

## Marketing and sales are the main operations of Swedish companies in Portugal

While Swedish companies operating in Portugal are active in a wide range of industries, the primary operations they conduct in Portugal are marketing and sales, involving 59 per cent of the responding companies. After-sales/support and provision of services are other areas where Swedish companies are active in the Portuguese market, with 38 per cent of the companies highlighting each of these areas. Research and development (R&D) is another common operation carried out by Swedish companies in Portugal, covering 27 per cent of the respondents, while a smaller share of respondents, 14 per cent, conduct manufacturing or assembly activities in Portugal.

### OPERATIONS OF SWEDISH FIRMS IN THE MARKET



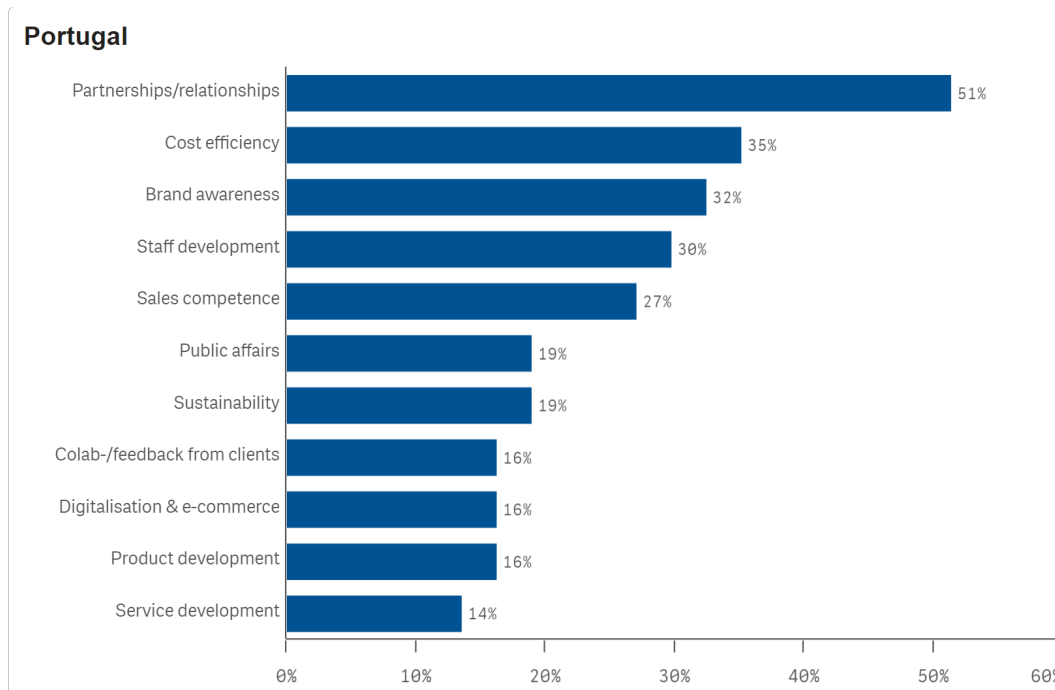
NOTE: The number of respondents for this question was 37. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

## Partnerships and relations are key to staying competitive in Portugal

When asked to rank the most important factors for staying competitive in Portugal, partnerships and relations emerged as the single most important factor, covering 51 per cent of the respondents. This marks a notable development from the last survey, where partnerships ranked only the third most mentioned factor at 31 per cent of the respondents. Cost efficiency and brand awareness remain other key areas for staying competitive, as mentioned by 35 and 32 per cent, respectively, and remain at similar levels as the last survey. Another interesting development is that public affairs, which were ranked as by far the least important factor in 2023 at three per cent, have risen to 19 per cent of the responses, while service development has developed in the other direction, dropping to 14 per cent from 28 per cent last time.

### TO DATE, WHICH OF THE FOLLOWING AREAS HAVE BEEN IMPORTANT IN MAINTAINING COMPETITIVENESS IN PORTUGAL?



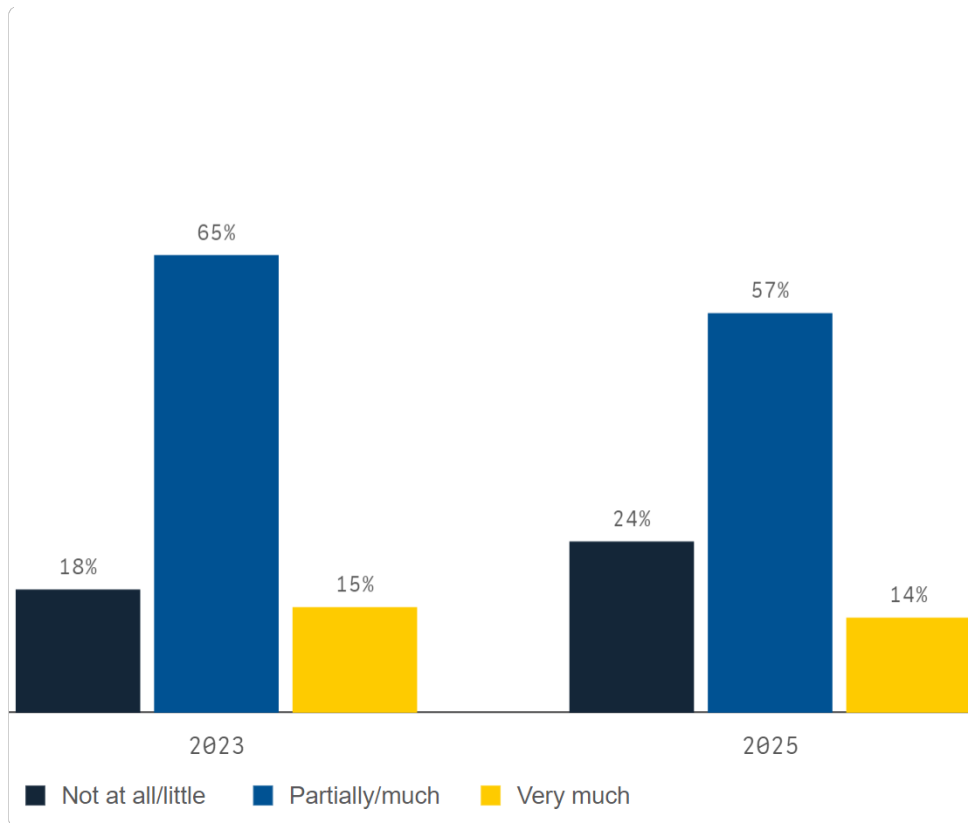
NOTE: The number of respondents for this question was 37. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

## The 'Swedish brand' is predominantly seen as positive for business in Portugal

The image of the 'Swedish brand' in Portugal is generally positive, with 71 per cent identifying it as contributing positively to their business to some extent. Sweden continues to bring predominantly positive associations with it and is perceived as a fair, equal, and sustainable country with a high quality of life and good governance. Twenty-four per cent believe that the Swedish brand has very little or no positive effect on their business, a figure that, unfortunately, has grown from 18 per cent in the last survey. To what extent the Swedish brand is seen as something positive does not appear to depend on the maturity, sector, or size of the respondent company.

**TO WHAT EXTENT WOULD YOU ESTIMATE THAT THE “SWEDISH BRAND” CONTRIBUTES TO YOUR BUSINESS IN PORTUGAL?**



NOTE: The number of respondents for this question was 37. “Don’t know/Not applicable” responses are included but not shown in this figure.

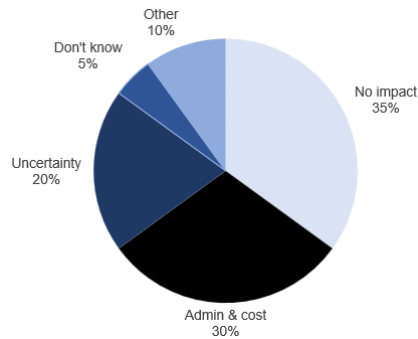
SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

## The lack of a double taxation agreement creates uncertainty for both companies and individuals

Since its termination in 2021, Sweden and Portugal have yet to establish a new double taxation agreement (DTA) to clarify tax liabilities and avoid the same income from being taxed twice. In the absence of a DTA, many companies involved in cross-border services between the two countries resort to invoicing through other EU nations or hiring law firms, resulting in increased administrative costs.

When asked about how the absence of a DTA affects Swedish companies, the responses present a somewhat inconclusive picture. Most respondents chose not to answer, reported no impact, or were unsure. Out of the 54 per cent of all respondents who answered this question, 35 per cent claim it has no impact, 30 per cent report it leads to higher costs and/or an administration burden, and 20 per cent highlight the uncertainty created by the absence of clear rules. Some comments highlight that the lack of a DTA blurs the tax liabilities for companies and individuals alike, but that the impact is more noticeable on the individual level than for entities. The relatively low level of reported direct effects is likely a result of the respondents not being involved in invoiced services, such as IT and similar sectors. Regardless, the absence of DTA remains an undesirable situation, creating ambiguity, additional costs, and overall limiting the ease of doing business in Portugal.

### WHAT ARE THE MAIN CONSEQUENCES OF THE ABSENCE OF A DOUBLE TAXATION AGREEMENT BETWEEN PORTUGAL AND SWEDEN FOR YOUR BUSINESS?

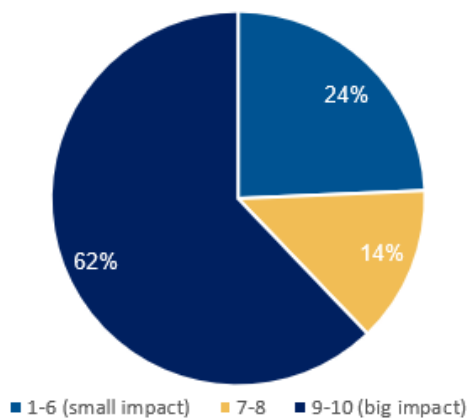


NOTE: The number of respondents for this question was 20.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025

If the impact of the absence of a DTA seems unclear to the respondents, the impact of establishing a new one is unambiguous. On a scale from one to 10, 62 per cent of respondents rate the impact of establishing such an agreement as nine or 10, while the share of respondents rating it as six or lower is just 24 per cent. This suggests that even if many companies might not be able to quantify the impact of the DTA's absence in monetary terms, the clarity of having defined rules is highly valued.

### IF A DOUBLE TAXATION AGREEMENT WERE TO BE SIGNED BETWEEN PORTUGAL AND SWEDEN, WHAT IMPACT WOULD THIS HAVE ON YOUR BUSINESS?



NOTE: The number of respondents for this question was 37.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025

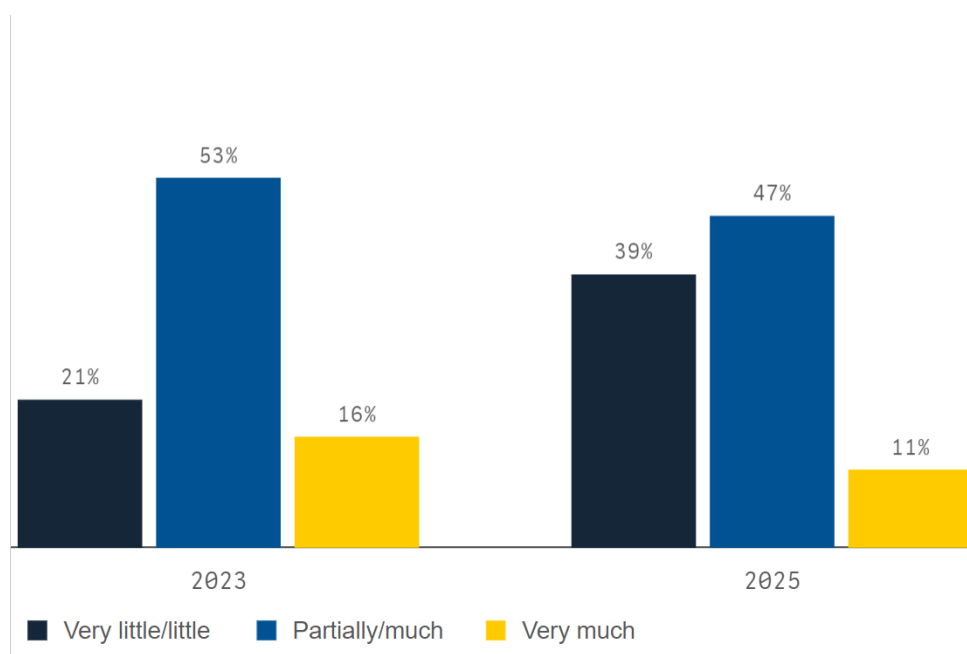
# ACTING SUSTAINABLY

## A decline in the importance of environmental aspects among Portuguese customers

Sustainability aspects have slowly but steadily grown in importance for decision-making in the Portuguese market, both among regulators and consumers. Although Portugal is taking steps in this direction, for instance, by incorporating the UN's 2030 Agenda for Sustainable Development into national strategies, Portugal remains in the bottom half of the European Sustainable Development Report (ESDR) ranking, coming in 19th out of 27 EU countries. This can be compared with Sweden's third position in the same ranking, playing into the common perception in Portugal of Sweden as a country at the forefront of sustainability.

However, when asked about the extent to which customers in Portugal consider environmental aspects in their purchasing decisions, there has been a marked drop over the past two years. While the share of respondents who hold environmental aspects as at least partially important has decreased from 69 per cent in 2023 to 58 per cent this year, respondents who consider them to be of little or no importance have increased to 39 per cent, nearly doubling from 21 per cent two years ago. Against the backdrop of a challenging macroeconomic development over this period, it is perhaps not surprising to see environmental aspects, often seen as a 'good to have' rather than a decisive factor in Portugal, being played down in times of economic turbulence.

### TO WHAT EXTENT DO CUSTOMERS IN PORTUGAL CONSIDER ENVIRONMENTAL ASPECTS OF A PRODUCT OR SERVICE IN THEIR PURCHASING DECISION?



NOTE: The number of respondents for this question was 37. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

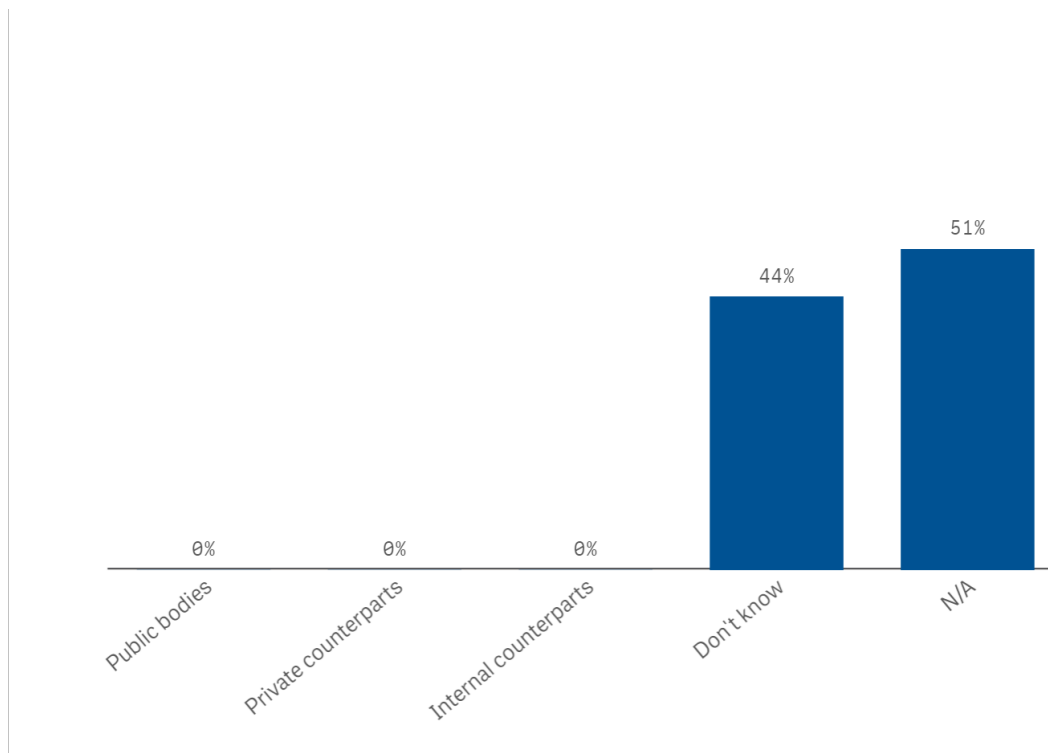


## Despite a potential increase, corruption is not a major issue for Swedish companies in Portugal

A key factor for a healthy business climate is transparent corporate governance that is free from corruption. In general, European countries tend not to experience as high levels of corruption as countries from other parts of the world, but still, there is room for improvement. Every year, Transparency International ranks 180 countries based on the perceived corruption in these countries on a scale from 0-100, where zero means highly corrupt and 100 is very clean.

In 2024, Portugal ranked 43rd out of 180 countries, scoring 57 out of 100, indicating a passable but slightly worsened situation since 2022. Yet, the seemingly negative development does not appear to have impacted Swedish companies operating in Portugal, as 95 per cent report either “don’t know” or that they have not noticed any such issues.

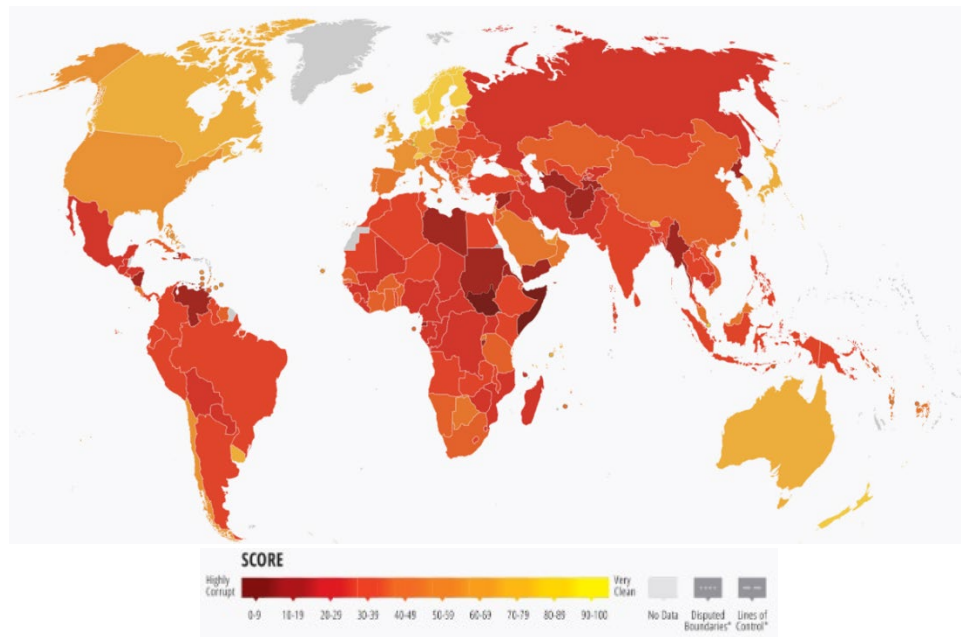
### HAS YOUR COMPANY IN PORTUGAL BEEN EXPOSED TO CORRUPTION SUCH AS, BUT NOT LIMITED TO, ATTEMPTS OF BRIBERY OR FRAUD IN CONTACTS WITH ANY OF THE FOLLOWING AREAS?



NOTE: The number of respondents for this question was 37. “Don’t know/Not applicable” responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

## CORRUPTION PERCEPTION INDEX 2024

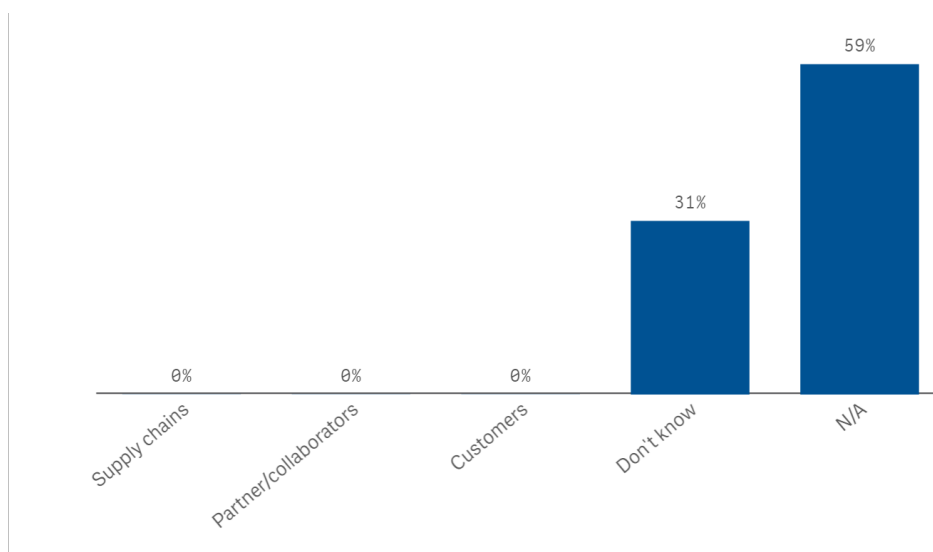


SOURCE: Transparency International.

## Low risk of human rights violations for Swedish companies in Portugal

Like with corruption, human rights do not constitute an important concern for Swedish companies in Portugal, with 90 per cent of respondents either answering “don’t know” or that they have not noticed any issues related to human rights violations or labour rights abuse in Portugal.

### HAS YOUR COMPANY IN PORTUGAL 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 37.  
SOURCE: Business Climate Survey for Swedish companies in Portugal 2025.

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