Sweden Sverige

BUSINESS CLIMATE SURVEY FOR SWEDISH COMPANIES IN PORTUGAL 2019

A JOINT REPORT FROM TEAM SWEDEN IN PORTUGAL

KEY CONTRIBUTORS TO THIS REPORT

Business Sweden Iberia
Malin Backman & Astrid Lilja

Swedish-Portuguese Chamber of Commerce
Niklas Knutsson

Embassy of Sweden in Lisbon
Maria Linderyd Linder

TABLE OF CONTENTS

AUTHORS

BUSINESS SWEDEN

Business Sweden is commissioned by the Swedish Government to help Swedish companies grow global sales and international companies invest and expand in Sweden. Business Sweden offers hands-on support to Swedish companies with global ambitions. With 46 offices across the globe, we have a strong presence in each of our key regions: Europe, Middle East & Africa, Americas and Asia-Pacific.

Malin Backman
Project Manager
Business Sweden
Southern Europe

SWEDISH-PORTUGUESE CHAMBER OF COMMERCE

The Swedish-Portuguese Chamber of Commerce is a networking hub for Swedish and Portuguese professionals and functions as a gateway for business and trade between Sweden and Portugal. Founded in 1982, it brings together more than 115 companies and associates. Through events and activities, the Chamber aims to build and strengthen the Swedish-Portuguese economic ecosystem; to create synergies between our members that deepen the longstanding Swedish-Portuguese trade relations.

Niklas Knutsson
Swedish-Portuguese
Chamber of Commerce

EMBASSY OF SWEDEN IN LISBON

Embassy of Sweden in Lisbon serves to promote Swedish interests in Portugal and to further strengthen bilateral relations between Sweden and Portugal, including on business and trade. The EU membership is a cornerstone also in bilateral cooperation, where Sweden and Portugal share fundamental values and principles such as democracy and human rights, free trade and a well-functioning internal market, as well as the urgent need for climate action, where digitalization and innovation is key

Maria Linderyd
Embassy of Sweden in
Lisbon

Team Sweden would like to extend our most sincere gratitude to the participating companies and respondents which have contributed to this report.

EXECUTIVE SUMMARY

2019 was a year characterised by global economic slow-down, geopolitical uncertainty, Brexit and trade wars. According to Price Waterhouse Cooper's *'Global Economy Watch'*, the predictions for 2020 does not look that much brighter. They refer to "slowbalisation" as the new globalisation, as, for instance, trading goods across borders will likely remain tense and the global economy will expand at a rate of around +3.2 per cent in purchasing power parity (PPP) which is below the 21st century average of +3.8 per cent per annum*.

Despite the bleak global outlook, the survey results indicate that most of the Swedish companies are performing well in Portugal. A clear majority of the respondents reported their company had a profitable financial growth in 2019. An even larger number have a positive view of their ability to acquire financial growth for the coming 12 months, both in terms of turnover and profitability. More than half of the companies also expect to increase their investments for the same period.

In 2019, industrial companies performed better than other Swedish businesses in Portugal, followed by companies in the consumer category. Conversely, professional service firms are the ones with most optimistic outlook for 2020, expecting increase in turnover and even more in profitability. This is in line with data from International Trade Centre (ITC), expecting global export of services to hit a record of US$ trillion by 2020.

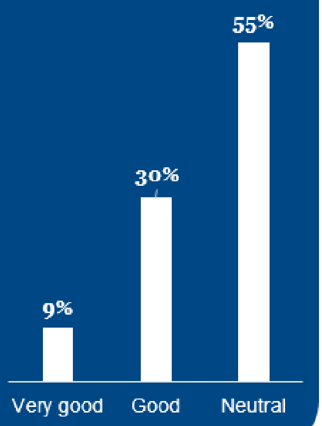
The surveyed firms have a fairly good view on the business climate in Portugal. When looking at factors that contribute to the Swedish companies' ability to carry out successful business is Portugal, collaboration with customers and access to skilled labour are the primary ones. Among perceived challenges, bureaucracy and regulatory issues are ranked as the main factors to negatively affect business. Further, Swedish companies in Portugal emphasize the importance of having competence across several areas as well as building relationships with local partners to grow and maintain a competitive advantage.

As in many countries, the overall image of Sweden in Portugal is positive, and most companies also feel that their business gain positive outcome from the connection to the "Swedish brand" and the values it is typically related with. To act sustainable as a company is today a requirement rather than a choice of action and a natural corner stone in Swedish companies' code of conduct. Still, relatively much effort is required to comply with legislations related to human and labour rights, environmental issues and anti-corruption, according to the responding companies. Also, only a few of them claims that their customers take environmental aspects into consideration in their purchase decisions.

Even if some of the respondents see improvements and initiatives taking place to make it easier for foreign companies to establish and run business in Portugal there is still much to be done.

*PwC 'Global Economy Watch, January 2020, World Bank

39% of respondents report a **positive** view of the business climate in Portugal



Competitive advantages

- Collaboration with customers
- Access to skilled labour
- Work culture & business mindset
- Market access
- Digitalisation level

Current situation (2019)

- Firms with revenue
- increase 2019 — 70%
- Firms believing Swedish brand contribute positively to their business — 76%
- Firms stating cost efficiency top priority to stay competitive — 50%

Main business challenges

- Obtaining licenses & permits
- Regulatory enforcement
- Customs issues (duties or processing)
- Political instability
- Corruption

Future outlook (2020)

- Firms expecting revenue increase in 2020 — 64%
- Firms expecting profit increase in 2020 — 64%
- Firms planning to increase investments — 55%

ABOUT THE SURVEY

Business Climate Survey in Portugal

The Business Climate Survey for Swedish companies in Portugal 2019 is a joint Team Sweden initiative carried out by Business Sweden, The Swedish Chamber of Commerce in Portugal and the Swedish Embassy in Lisbon.

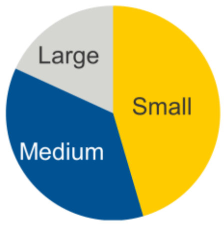
The Business Climate Surveys are published regularly in several markets across the world. The purpose is to gain understanding of the performance of the Swedish companies, challenges and opportunities that they are facing when doing business abroad, as well as their outlook on different markets.

The survey in Portugal was carried out between November and December of 2019. The survey was sent out to 76 companies, both Swedish subsidiaries and Swedish companies with some type of sales and operations in the Portuguese market. Companies of all sizes, age and industry were targeted in order to create a broad sample that reflects the market conditions and outlook, but also to enable capturing of issues that may be specific for a certain segment.

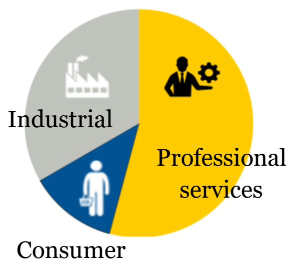
With participation of high-level representatives from 33 companies (43 per cent of the sample) the survey imparts a general overview of how Swedish companies perceive the business climate and their own performance in Portugal.

The report is divided into the following sections: *Economic outlook, The Portuguese market, How Swedish companies succeed in Portugal*, and *Acting sustainably*.

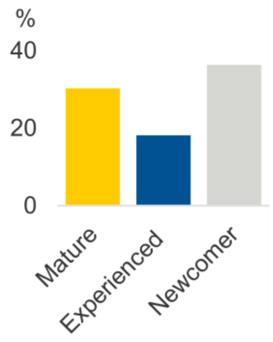
SIZE OF COMPANIES



MAIN BUSINESS AREAS



AGES OF COMPANIES



Graph definitions

SIZE
Small, 0-10 MUSD or 0-49 global employees
Medium, 11-50 MUSD or 50-249 global employees
Large, +51 MUSD or +500 global employees

BUSINESS AREAS
Industrial, e.g. heavy industry production, transport & logistics
Professional services, e.g. telecom/IT, life science & healthcare, finance
Consumer, e.g. retail/sales of consumer goods, fashion & lifestyle

AGE
Mature, established before year 2000
Experienced, established between 2001-2012
Newcomer, established between 2013-2019

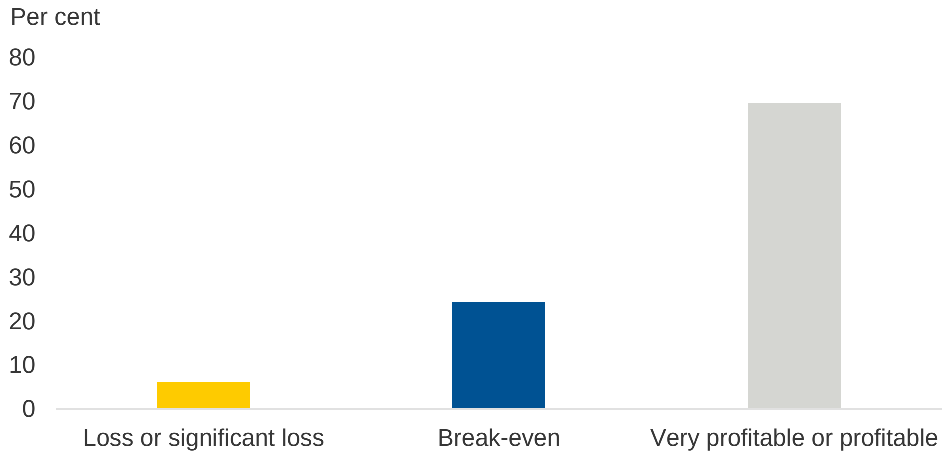
ECONOMIC OUTLOOK

The financial year of 2019

The Gross Domestic Product (GDP) for the Eurozone in 2019 was +1.9 per cent, a 0.6 per cent fall compared to 2018 (+2.5 per cent). On a country level, Portugal has developed at a higher pace than the Eurozone for the past few years. In 2019, the GDP growth rate registered at +2.4 per cent, which was lower than previous year but above the Government's forecast of +1.9 per cent. Along the same lines, the majority of the participating 33 Swedish companies in Portugal characterised their financial year of 2019 as profitable.

As illustrated in the graph below, 70 per cent of the respondents indicated their company's financial performance as very profitable or profitable. 24 per cent answered that they managed to break-even while 6 per cent experienced financial losses. The industrial sector was the most prosperous one, with 75 per cent answering to have had a very profitable or profitable year. For the professional service sector, the equivalent number was 67 per cent. The lowest level of profitability was found within the consumer sector with 57 per cent. In regard to financial losses, this was only experienced by some respondents within the professional services sector at a share of 15 per cent.

HOW WOULD YOU CHARACTERISE YOUR COMPANY'S FINANCIAL PERFORMANCE IN PORTUGAL IN 2019?

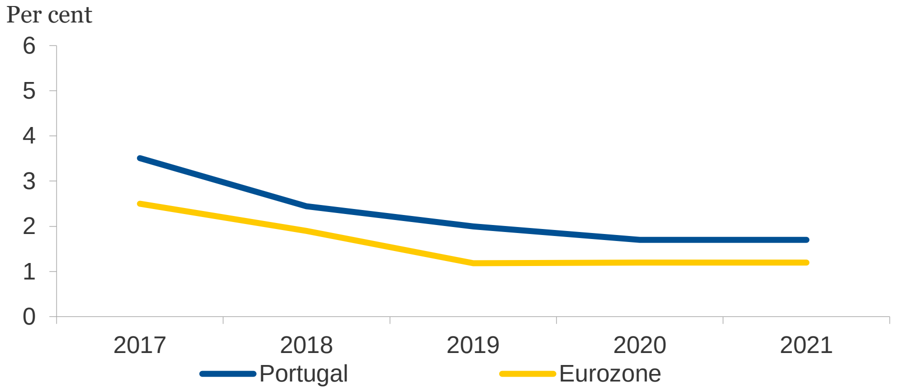


NOTE: The number of respondents for this question was 33. The distribution between the answers were; 4 "significant growth", 19 "profitable", 8 "break-even", 2 "losses" and 0 "significant losses". "Other" and "not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

Financial market outlook

European Commission's forecast for the Eurozone indicates a slight impairment in 2020, with a growth rate of about +1.2 per cent, compared to +1.9 per cent in 2019. Portugal’s GDP growth for 2020 is estimated to be well above the Eurozone level, reaching +2.0 per cent. Even if this is 0.4 per cent below 2019 years growth rate, most Swedish firms in Portugal have a positive view of the market for the coming 12 months and their company´s ability to acquire financial growth.

PROJECTED GDP GROWTH IN PORTUGAL AND EURO AREA

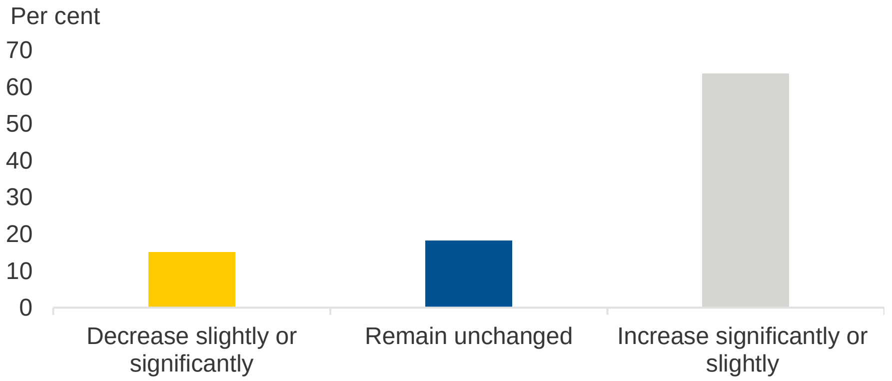


NOTE: Constant prices.
SOURCE: European Commission

Most Swedish companies in Portugal have a positive view of their ability to increase turnover for the upcoming 12 months. Most positive are the newcomers where 83 per cent believe their turnover will increase. Amongst the experienced and mature companies, half of the respondents in each group are expecting an increase. Meanwhile, 20 per cent of the mature companies are expecting a slight decrease in turnover, which can be derived to the estimated -0.3 per cent GDP decrease for 2020.

WHAT ARE YOUR EXPECTATIONS FOR THE COMING 12 MONTHS FOR YOUR INDUSTRY/BUSINESS AREA REGARDING *TURNOVER*?

TURNOVER WILL INCREASE FOR MOST SWEDISH COMPANIES IN PORTUGAL

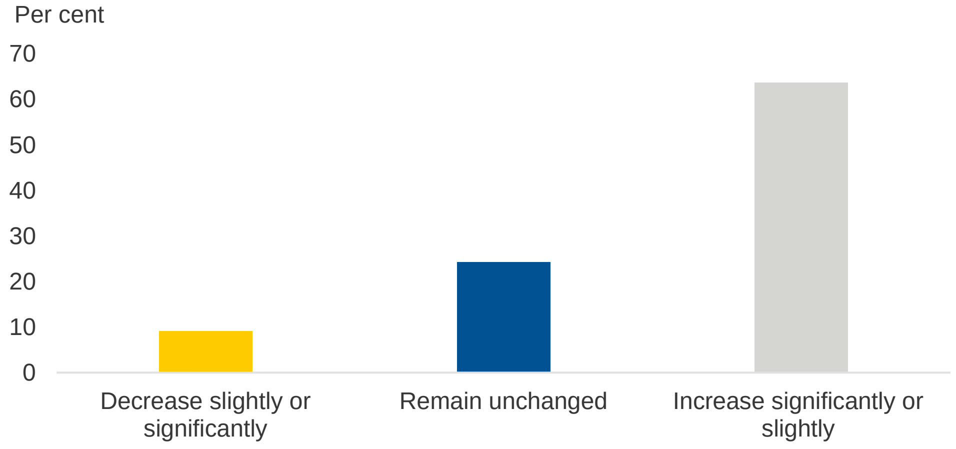


NOTE: The number of respondents for this question was 33. The distribution between the answers were; 6 “increase significantly”, 15 “increase slightly”, 6 “remain unchanged”, 4 “decrease slightly” and 1 “decrease significantly”. “Other” and “not applicable” responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

In accordance to the respondent's expectations on turnover for the coming 12 months, most responding companies believe their profitability will increase as well. The newcomers are the most positive group with 92 per cent expecting a slight or significant increase. One third (33 per cent) of the experienced companies and half (50 per cent) of the mature companies share the same positive outlook and are thus expecting a significant or slight increase.

WHAT ARE YOUR EXPECTATIONS FOR THE COMING 12 MONTHS FOR YOUR INDUSTRY/BUSINESS AREA REGARDING *PROFITABILITY*?

PROFITABILITY WILL INCREASE FOR MOST SWEDISH COMPANIES IN PORTUGAL



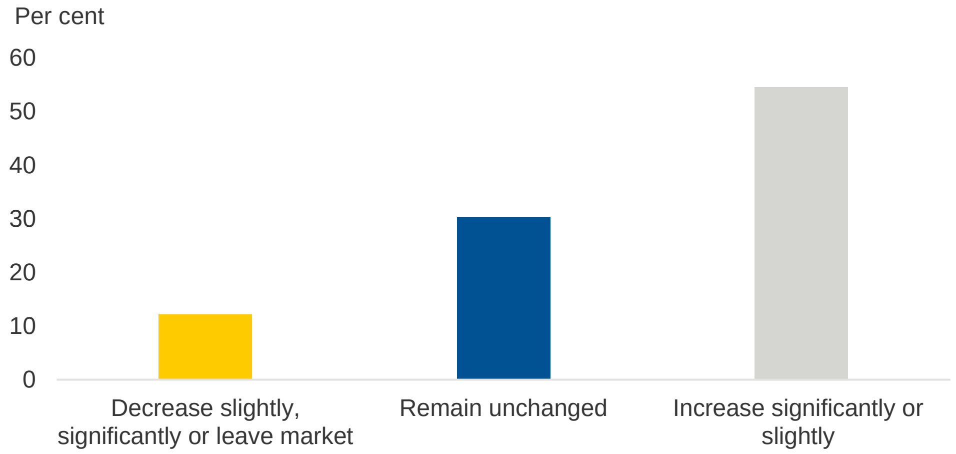
NOTE: The number of respondents for this question was 33. The distribution between the answers were; 4 "increase significantly", 17 "increase slightly", 8 "remain unchanged", 2 "decrease slightly" and 1 "decrease significantly". "Other" and "not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

Most companies plan to increase investments

More than half of the responding companies, 55 per cent, are planning to increase their investments during the next 12 months. The highest rate is found within the professional services sector, 69 per cent, and the lowest within the consumer sector, 33 per cent. Within the industrial sector half of the companies are planning to increase while the other half are leaving investment budgets unchanged.

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

INVESTMENTS WILL INCREASE FOR MORE THAN HALF OF PARTICIPATING COMPANIES



NOTE: The number of respondents for this question was 33. The distribution between the answers were; 3 "increase significantly", 15 "increase slightly", 10 "remain unchanged", 2 "decrease slightly" and 2 "decrease significantly". "Other" and "not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

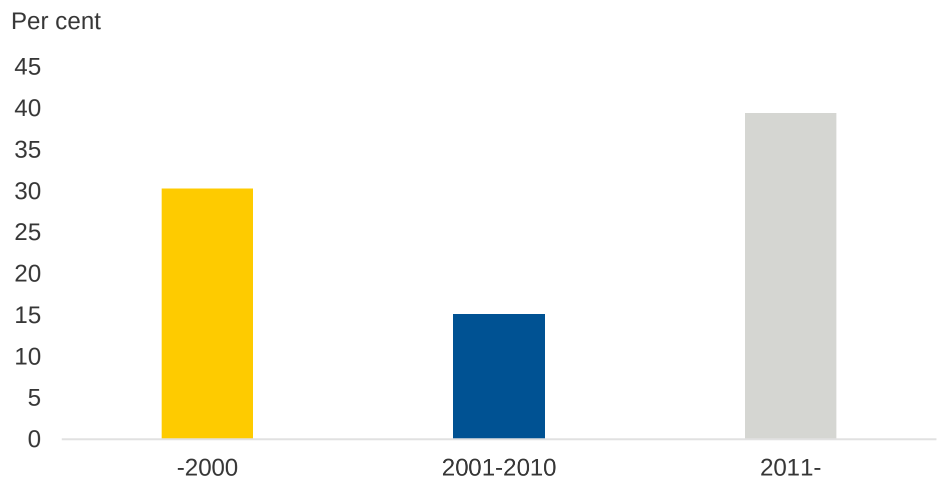
THE MARKET

Swedish presence in Portugal

Portugal and Sweden have longstanding trade relations. The first trade and friendship agreement was signed back in 1641, which means the two nations will celebrate their 380th anniversary of diplomatic relations in 2021. Today, approximately 150 Swedish companies count with presence or operations in Portugal.

30 per cent of the responding companies have been present in Portugal since before year 2000. 80 per cent of these are medium or large-sized companies. The share of companies incorporated between year 2000 up till 2010 are approximately 15 per cent, evenly distributed between the interval of 2001-2005 and 2006-2010. For the total period incorporations from small companies amounted to 60 per cent whereas medium and large-sized company establishments were 20 per cent each. Nearly 40 per cent of the respondents have been present since 2011, with slightly higher share of incorporations after 2016; the majority, 86 per cent, being small companies.

IN WHAT YEAR DID YOUR COMPANY ESTABLISH OPERATIONS IN PORTUGAL?



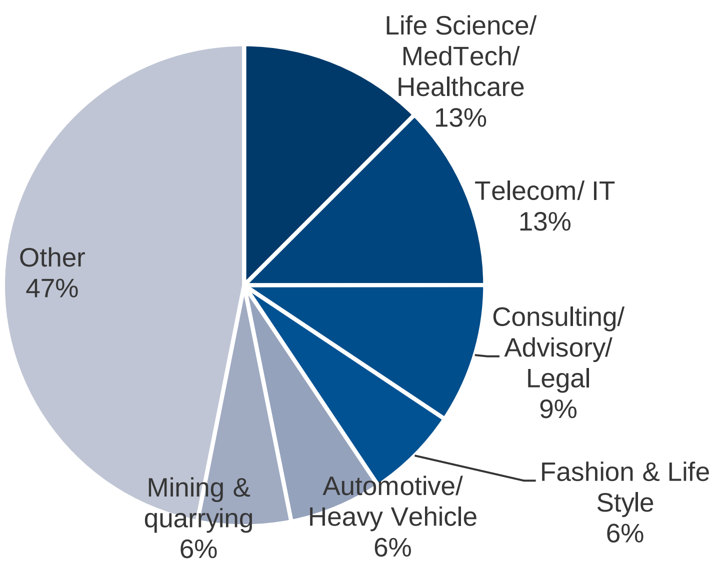
NOTE: The number of respondents for this question was 33. “Other” and “not applicable” responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

The sectors in which the Swedish companies are active can much be related to some of Portugal's most important industries, for instance, telecom and information technologies. Portugal has an advanced telecommunication infrastructure and is increasingly positioning as a tech hub in Europe and a test platform for many of the leading OEM's and tech companies. For the past few years, the members of Team Sweden have observed a positive trend in the number of establishments and business operations from Swedish telecom and IT-related companies. 13 per cent of the responding Swedish companies are active within this category, all categorized as small or medium-sized companies.

Another 13 per cent of the respondents are active within the life science/ MedTech/ healthcare segments. The Portuguese healthcare system ranked 22nd on the 2019 edition of the CEOWORLD Health Care Index, which looks into a number of factors contributing to overall health in a total of 89 countries world-wide. Additionally, Portugal claims the top spot in the Healthcare category of International Living's Annual Global Retirement Index 2020. The Portuguese Government has increased the healthcare budget with 10% MEUR for 2020, amounting to a total budget of 11.226 MEUR, and will put focus on improving qualification of access, development possibilities for health professionals and, and making investments in the National Health System. The Swedish companies in this business area are evenly distributed when looking at size, yet all are classified as mature.

Represented as 'other', corresponding to 47 per cent of the respondents, are for example chemical products, defence/security, environmental technologies, and packaging.

WHAT IS YOUR COMPANY'S MAIN BUSINESS AREA IN PORTUGAL?



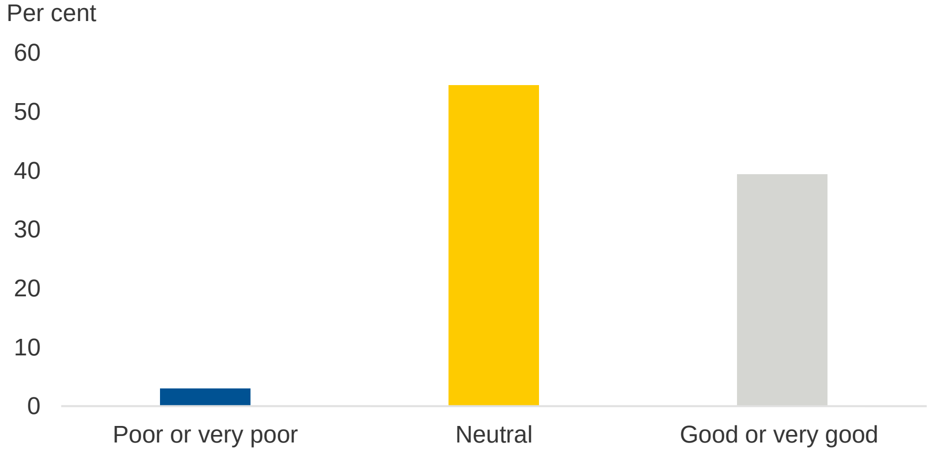
NOTE: The number of respondents for this question was 33. One respondent applied a "don not know" option, not shown in the chart.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

Overall good perception of the business climate in Portugal

Swedish companies active in Portugal seem to have a fairly good view of the local business climate. Only one of the respondents answered that they perceive the business climate as poor. 55 per cent have a neutral perception whereas 39 per cent have a good or very good perception.

Medium-size companies show highest optimism with 50 per cent rating the business climate as good or very good. Small and large-size companies in turn have a somewhat more neutral view, with 67 per cent of the small ones and 50 per cent of the large corporations rating the business climate as OK.

HOW DO YOU PERCEIVE THE CURRENT BUSINESS CLIMATE IN PORTUGAL, FROM VERY POOR TO VERY GOOD?



NOTE: The number of respondents for this question was 33. “Other” and “not applicable” responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

Collaboration with customers and access to skilled labour most important contributors to successful business

In the following chart, Swedish companies where asked to rank the importance of several factors that may contribute positively to their business and the impact each of them has.

24 of the companies believe that collaboration with customers and access to labour with appropriate competences are the most important factors, followed by work culture and markets access. When considering the impact of each factor, customer collaboration and market access are believed to have a high impact, so does the volume of public procurements, even if being an issue relevant to a fewer number of companies.

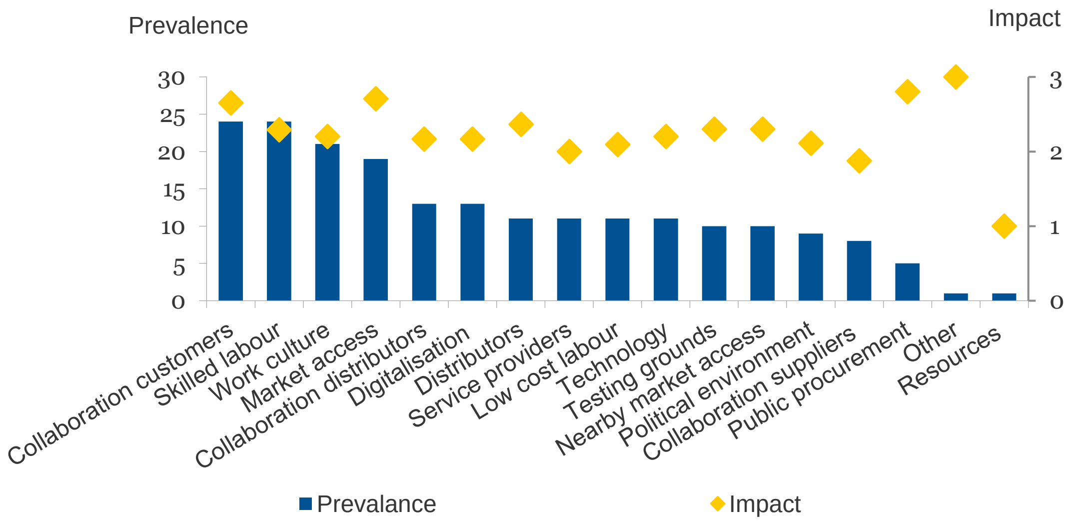
When looking at business areas, companies within all three categories (professional services, consumer and industrial), highlight collaboration with customers, skilled labour, work culture and market access as important factors to have successful business. Access to low labour costs and qualified service providers are particularly important for those providing professional services and consumer companies. For consumer and industrial companies, the ability to test new products and services as well as the political environment are seen as important factors. Common for both industrial and professional service companies is the importance of access to technology.

When studying the answers based on company size, the most prominent issues are skilled labour for large and small companies (14 per cent respectively), and market access and customer collaboration for medium-sized companies (13 per cent each).

"At Ericsson we strive to have a more balanced gender workforce. We believe that a diverse team drive performance and innovation, creating business value and employee attractiveness."

Rute Diniz, People Manager, Ericsson Portugal

DO ANY OF THE FOLLOWING FACTORS CONTRIBUTE POSITIVELY TO YOUR BUSINESS IN PORTUGAL?



NOTE: The number of respondents for this question was 33.
This question was separated into two parts. First, respondents were asked to select all factors contributing positively to their business in Portugal. Secondly, they were asked to rate the impact of the factors they selected, from limited (score 1) to large impact (score 3) on their business success in Portugal. The bars in the figure show the number of firms that selected a certain factor, and the dots show the average rating of that factor among the firms that selected it.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

Bureaucracy main issue for Swedish companies doing business in Portugal

When the respondents were asked to rank factors that contribute negatively to their business in Portugal red tape and regulatory enforcement were the two issues with highest prevalence. This is related to e.g. difficulties in obtaining licenses, permits and government approvals. Conversely, economic protectionism and security were amongst the factors that seem to affect local business the least.

Overall, most common issues reported are related to bureaucracy and regulations. Their impact, however, differ somewhat, with rules and regulations connected to tax and labour having medium impact on business, whereas customs issues are considered to have a low impact.

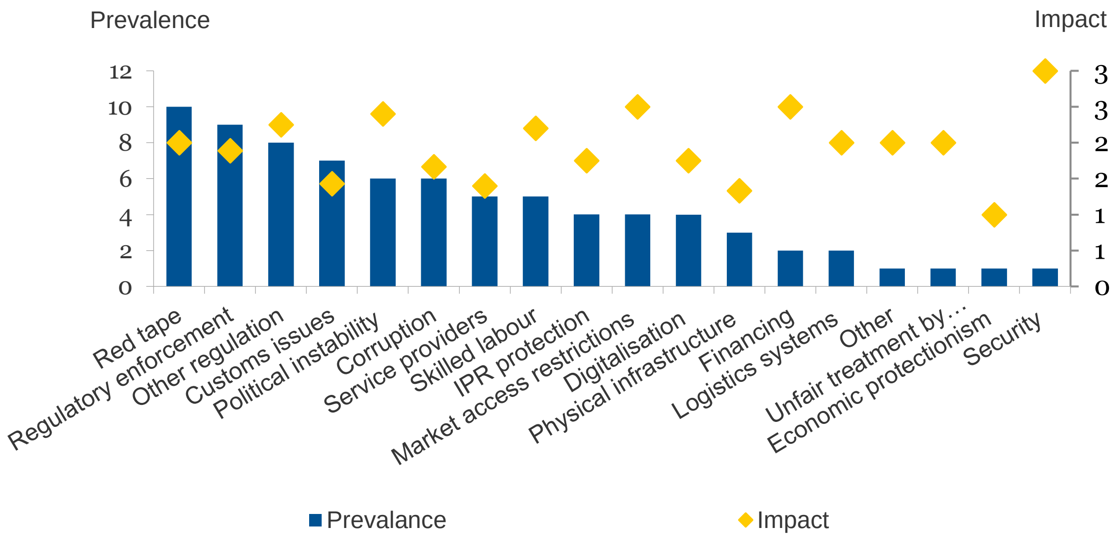
100 per cent of the consumer companies say corruption is the singular factor that negatively affects their business in Portugal. For professional services companies, red tape is the highest ranked factor (16 per cent), whereas regularity enforcement is the issue with highest prevalence amongst industrial companies (17 per cent).

When studying the answers based on company size, the most prominent issue is regulatory enforcement for large companies (33 per cent), corruption for medium sized companies (17 per cent) and red tape for small companies (15 per cent).

"The handling by relevant authorities to obtain licenses as a cleantech company is by far the biggest challenge to our business"

Emil Angervall, Product Marketing Director, Bright Sunday

DO ANY OF THE FOLLOWING FACTORS CONTRIBUTE NEGATIVELY TO YOUR BUSINESS IN PORTUGAL?



NOTE: The number of respondents for this question was 30.
This question was separated into two parts. First, respondents were asked to select all factors contributing negatively to their business in Portugal. Secondly, they were asked to rate the impact of the factors they selected, from limited (score 1) to large impact (score 3) on their business success in Portugal. The bars in the figure show the number of firms that selected a certain factor, and the dots show the average rating of that factor among the firms that selected it.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

HOW SWEDISH COMPANIES SUCCEED IN PORTUGAL

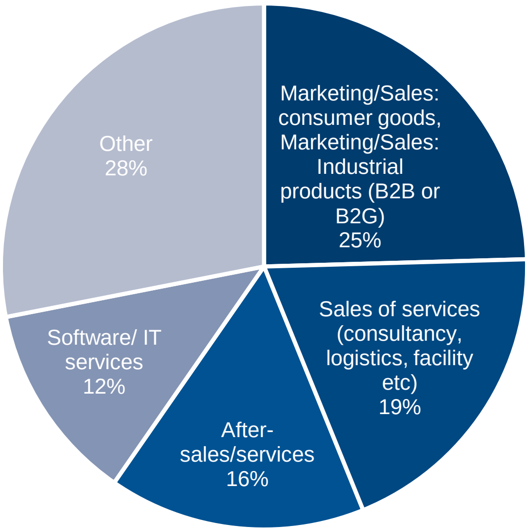
Swedish companies are active within several business areas

Swedish companies in Portugal emphasize the importance of having broad competence and building relationships with local partners to grow and maintain a competitive advantage. Most companies also feel that their business gain from the connection to the "Swedish brand".

As illustrated in the diagram below, Swedish companies in Portugal are active in a variety of business areas. A quarter of the responding companies have operations within the *marketing/sales* sector, 19 per cent provide *sales of services,* 16 per cent *after sales/services* and 12 per cent *software and IT services.* 28 per cent drive operations within other business areas, including *education/training, sourcing and trading, outsourcing of support functions, R&D and manufacturing.*

Moreover, a great share of the large-sized companies (44 per cent) provides *marketing/ sales services*. For the small-sized companies, operations are more spread out across a variety of business areas, including *marketing/sales, sales of services* and *software & IT.* The medium-sized firms are mainly active within the *marketing/sales* and *after-sales* business areas.

OPERATIONS OF SWEDISH FIRMS IN THE MARKET



NOTE: The number of respondents for this question was 32. Respondents were able to give multiple answers.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

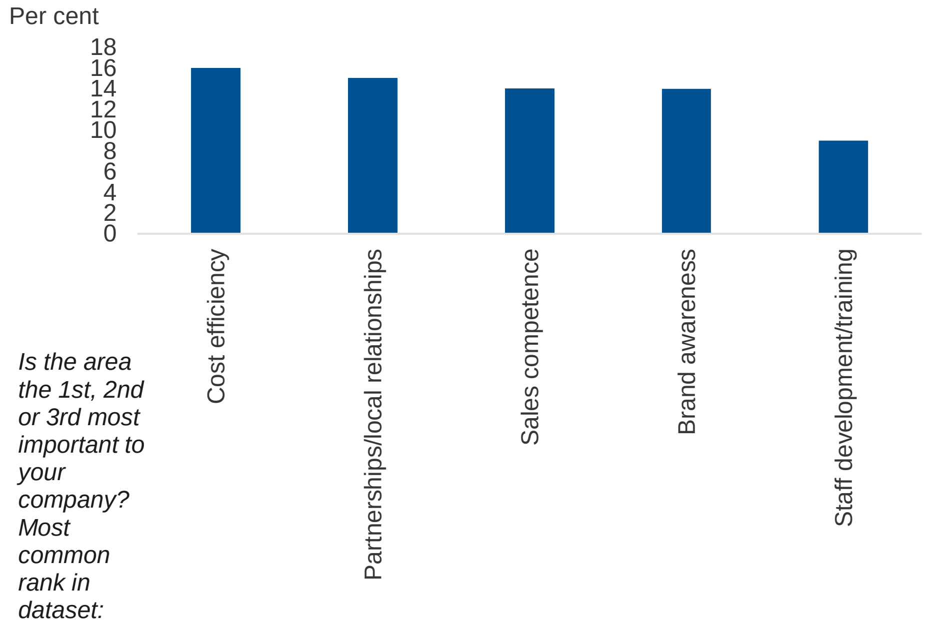
Important factors to maintain competitiveness

When giving the opportunity to rank different areas based on whether they are the 1st, 2nd or 3rd most important factor to maintain competitive advantage, *cost efficiency* stands out. Out of the 32 responding companies, 16 regard cost efficiency to be the number 1 most important area. Meanwhile, for another seven respondents *service development and adaption* is regarded to be the most important factor. The 2nd most important areas are *partnerships/local relationships* and *sales competence,* emphasized by 15 and 14 respondents respectively. Another nine see *staff development and training* to be the 2nd most important factor to maintain competitiveness. The 3rd most important factor is *brand awareness*, with 14 companies emphasizing its importance.

Moreover, amongst the *newcomers* most find value in building partnerships and engaging in local relationships, followed by securing cost efficiency and sales competence. In accordance, almost a quarter of the *experienced* companies value cost efficiency and partnerships, yet, conversely to the newcomers, put higher importance on areas such as service development and adaption, staff development and training, security delivery and brand awareness to maintain competitiveness. *Mature* companies emphasize sales competence and cost efficiency as the most important areas to stay competitive.

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

TOP FIVE AREAS



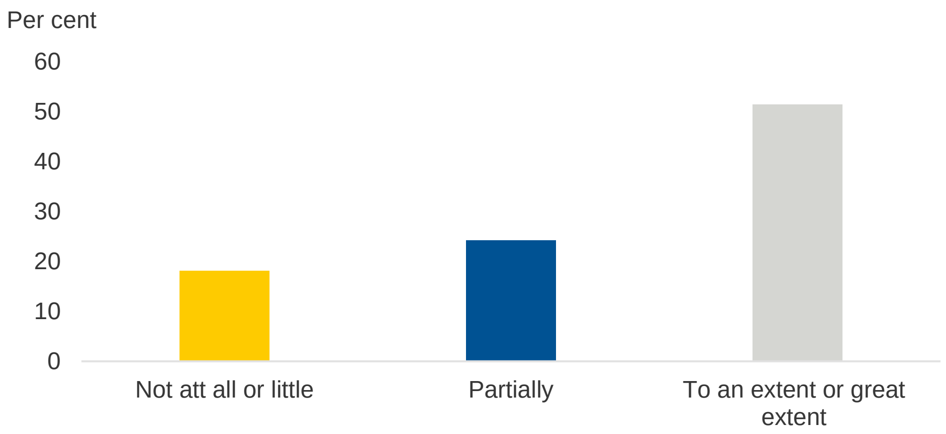
NOTE: The number of respondents for this question was 32. The distribution between the answers were; **1st rank:** 16 = cost efficiency; 7 = service development/ adaption. **2nd rank**; 15 = partnerships & local relationships; 14 = sales competence; 9 = staff development/ training; 6 = product development/ adaption. **3rd rank:** 14 = brand awareness; 4 = public affairs/ relationship with government; 4 = delivery security. "Other" and "not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

The Swedish brand

The image of the Swedish brand abroad is on a general basis positive. Some reoccurring associations to Sweden across countries are for example the Swedish welfare system, nature and environment, a modern and well functional country, sustainability, transparency and international companies*.

Most of the respondents in this study estimate that the Swedish brand has a positive impact on their ability to do business in Portugal. However, the estimated level of influence differs somewhat between the respondents. 52 per cent believe it to contribute to an extent or great extent, 8 per cent partially, while 18 per cent estimate the Swedish brand to have very little or no impact on their business in the market.

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



NOTE: The number of respondents for this question was 33. The distribution between the answers were; 4 “to a great extent”, 13 “to an extent”, 8 “partially”, 8 “little” and 1 “not at all”. “Other” and “not applicable” responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019. * SI, Swedish Institute 2018.

“IKEA’s Swedish roots contributes strongly to the brand’s identity, culture, values and reputation.”

Claudia Domingues, Country Communication Manager, IKEA

ACTING SUSTAINABLY

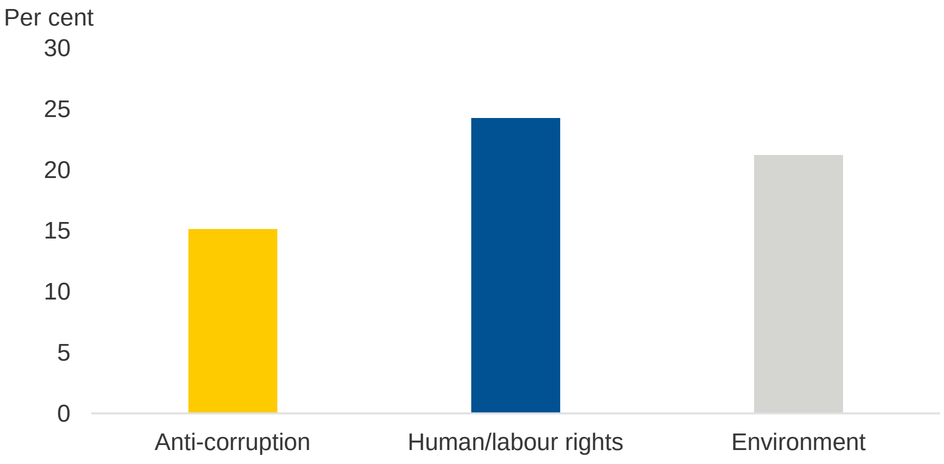
Legislation puts pressure on companies to act sustainably

Acting sustainably is today a requirement for all business. Being a reasonable company has become important to meet increasing customer demand, attract talented employees, create a favourable brand and not least, contribute to a sustainable environment and UN's ***2030 Agenda for Sustainable Development***. To make sure that businesses are living up to the requirements several legislations exist, forcing companies to be responsible.

When asked how much effort is required to comply with such legislation, the answers vary somewhat depending on the different areas. As illustrated in the chart below, 24 per cent of the responding companies feel that human and labour rights are the most challenging legislation to comply with. More specifically, within this area most companies answered that living up to these standards do require "much effort". Followingly, 21 per cent state that "much or very much effort" is needed to comply with current environmental legislation. Regarding anti-corruption, 15 per cent feel that "much or very much" effort is needed to comply with these legislations. Meanwhile, 28 per cent of the responding companies answered that they do not know what amount of effort that is required to comply with anti-corruption legislation or that this does not apply to them.

HOW MUCH EFFORT IS REQUIRED TO COMPLY WITH RELEVANT LEGISLATION IN THE FOLLOWING AREAS?

GRAPH ILLUSTRATES SHARE RESPONDING OF "MUCH OR VERY MUCH EFFORT"



NOTE: The number of respondents for this question was 32. "Other" and "not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

"Everything we do aims to have a positive climate impact on a global level, and we notice that sustainability issues are increasingly becoming important to our customers in Portugal."

Emil Angervall, Product Marketing Director, Bright Sunday

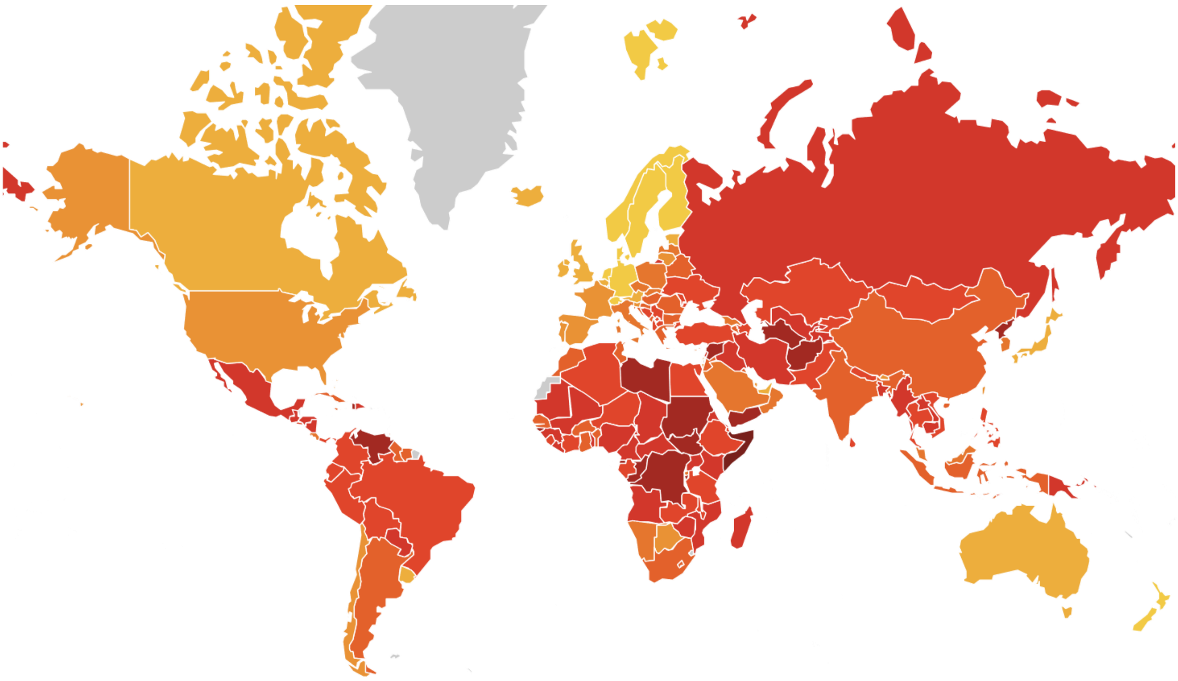
Tackling corruption effectively is still a challenge for the world and the European Union

Every year, Transparency International measures the perceived corruption in 180 countries on a scale of 0-100. The index ranks the countries and territories by their perceived levels of public sector corruption according to experts and businesspeople, and uses a scale of zero to 100, where zero is highly corrupt and 100 is very clean.

Generally, European nations tend not to experience high levels of corruption when compared with nations in other parts of the world. The Western Europe and European Union average regional score is 66/100 while the lowest scoring region is Sub-Sharan Africa with a score of 32/100. Meanwhile, the corruption levels between the Western Europe and the EU countries vary significantly, with the Nordic countries being the least corrupt. In 2019, Denmark and New Zealand were the least corrupt countries scoring 87/100. In comparison, Bulgaria was claimed to be the most corrupt country with a score of 43/100.

Portugal scored 62/100 and ranks in as number 30 out of the 180 countries evaluated, indicating that there is room for improvement. Accordingly, Transparency International emphasize that even though Western Europe and the EU are doing better than other parts of the world, they still have a long way to go to handle corruption effectively.

CORRUPTION PERCEPTION INDEX 2019

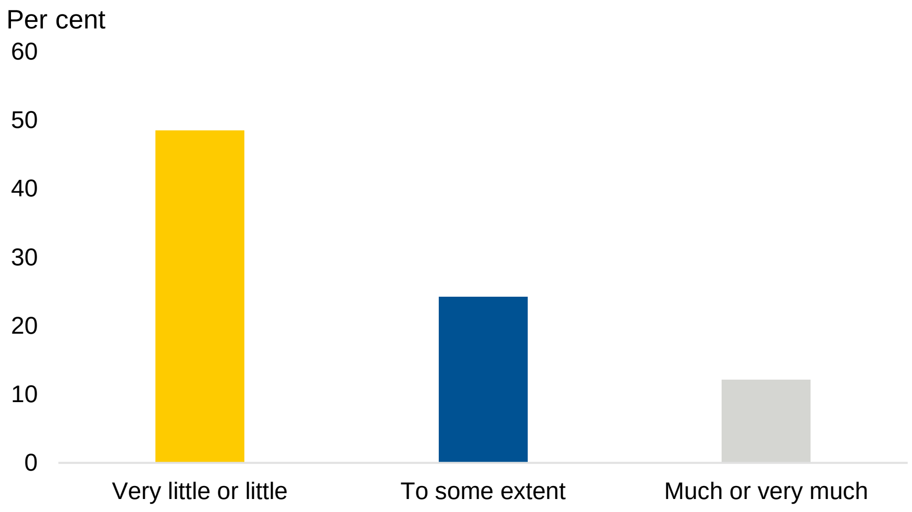


NOTE: For 2019, the least corrupted countries in the world were Denmark and New Zealand and the most corrupted country Somalia.
SOURCE: Transparency International.

Few customers consider environmental aspects in purchasing decisions

According to the results of this study, companies perceive that few of the customers take environmental aspects of a product or service into consideration in their purchasing decision. Only 12 per cent of the responding companies answered that “much” or “very much” consideration is taken; a result which can be perceived as rather surprising considering the ongoing intensified environmental debate. Meanwhile, the double amount, 24 per cent, answered that “some degree” of environmental consideration is taken. Still, 48 per cent claimed that “little” or “very little” environmental consideration is done when making purchase decisions.

TO WHAT EXTENT DO CUSTOMERS IN YOUR INDUSTRY/BUSINESS AREA IN PORTUGAL CONSIDER ENVIRONMENTAL ASPECTS OF A PRODUCT OR SERVICE IN THEIR PURCHASING DECISION? FROM LITTLE TO GREATLY



NOTE: The number of respondents for this question was 32. The distribution between the answers were; 0 “very much”, 4 “much”, 8 “to some degree”, 8 “little” and 8 “very little”. “Other” and “not applicable” responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Portugal 2019.

“We feel Portuguese consumers are concerned about the climate change and are willing to act. At the same time, they either can’t or are un-willing to pay more for sustainable options, request simplicity and convenience with no research effort, or simply don’t know where to start.

The increasing awareness and interest around sustainability increases IKEA’s responsibility to act and share important goals and milestones connected to our work related to sourcing, production, transport, and so on.”

Claudia Domingues, Country Communication Manager, IKEA

CONTACT US

BUSINESS SWEDEN IBERIA
Malin Backman, malin.backman@business-sweden.se
+34 914 442 600

SWEDISH-PORTUGUESE CHAMBER OF COMMERCE
Niklas Knutsson, niklas@camaralusosueca.pt
+351 213 942 266

EMBASSY OF SWEDEN IN LISBON
Maria Linderyd Linder, ambassaden.lissabon@gov.se
+351 213 942 260

Sweden
Sverige

Sweden
Sverige

BUSINESS
SWEDEN
THE SWEDISH TRADE & INVEST COUNCIL

Embassy of Sweden
Lisbon

CLS
CÂMARA DE COMÉRCIO LUSO-SUECA