

Swedish Companies Continue to Invest in the Baltic States with a Positive Outlook

Swedish companies operating in Estonia, Latvia and Lithuania remain profitable and continue to view the Baltic states as attractive markets for investment and growth. This according to the newly released Baltic Business Climate Survey 2026, conducted by the Swedish Embassies in Estonia, Latvia and Lithuania together with the Stockholm School of Economics in Riga.

The survey shows strong business performance across the region. While companies remain cautious amid continued geopolitical and economic uncertainty, investment intentions remain positive, with 82% of respondents planning to increase or maintain investments during the next 12 months.

The survey confirms that the Baltic states remain attractive locations to do business for Swedish companies. At the same time, access to skilled labour remains a common challenge across all three countries. Continued investment in skills and talent will be important for maintaining competitiveness and supporting future growth, says Kata Fredheim, Executive Vice President at Stockholm School of Economics in Riga.

The survey also reveals important differences between the three markets. Estonia continues to lead on digitalisation and corporate tax satisfaction, Lithuania receives the highest ratings for the quality of work culture and physical infrastructure, while Latvia has recorded significant improvements in administrative conditions.

Access to skilled labour remains the most significant challenge across all three countries. Respondents consistently identified the need for stronger technical and vocational education, easier access to international talent, and continued investment in energy, transport and digital infrastructure. Stable taxation, predictable regulation and simpler administrative procedures were also recurring priorities.

Geopolitical developments continue to affect businesses unevenly. While sectors such as defence, energy, healthcare and mining have benefitted from changing market conditions, other industries have experienced increased costs and weaker demand. Customer demand, energy prices and raw material costs were identified as the primary channels through which geopolitical events impact business performance. The survey concludes that Swedish companies continue to regard Estonia, Latvia and Lithuania as attractive markets for long-term operations.

About the Baltic Business Climate Survey 2026

The survey was conducted jointly by the Swedish Embassies in Estonia, Latvia and Lithuania and the Stockholm School of Economics in Riga, with support from SAAB, SEB and Stena Line.

Further information: <https://www.sseriga.edu/baltic-business-climate-survey-2026>

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