India–Sweden: Partnering for Growth, Innovation and Sustainability

Speech by Ambassador
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Värnamo

Ladies and Gentlemen,
Distinguished Business Leaders,
Dear Friends,

It is a real privilege to be here in Värnamo — a town that truly exemplifies the best of Swedish industry: precision, innovation, sustainability, and a strong commitment to long-term value. My warm thanks to our hosts for their gracious welcome and for the vision in bringing us together.

I am especially pleased to be addressing Sweden's industrial leadership at a moment when India's economic transformation is creating one of the most compelling investment opportunities of this decade.

Many of you already engage with India. Some are actively exploring new opportunities, while others may still be observing from a distance. My aim today is simple — to present India not as an abstract growth story, but as a practical, investable, and long-term industrial partner.

Why India — and why now?

India stands at a structural turning point. We are the world's fifth-largest economy and among the fastest-growing major economies. By the end of this decade, we are poised to become the third largest.

But scale alone does not define a strong investment destination. What truly matters to investors is stability, reform, demand visibility, and execution capacity.
India offers all four.

Over the past decade, India has implemented far-reaching structural reforms:

- A unified national market under the Goods and Services Tax.
- A modern insolvency and bankruptcy framework.
- Digital transformation of government systems, licensing, and taxation.
- A steady improvement in ease of doing business.

These reforms mean fewer surprises, greater transparency, and strong policy continuity — exactly what investors value.

Our macroeconomic fundamentals are sound: prudent fiscal management, a resilient banking system, strong foreign exchange reserves, and low inflation. These are not short-term gains, but a reflection of responsible governance.

Predictable Demand: India’s Core Strength

Long-term capital flows where demand is predictable.
In India, every year roughly the equivalent of Sweden’s entire population joins the urban middle class. This is not just consumer growth — it translates into sustained demand for infrastructure, manufacturing, clean energy, and advanced mobility.

This scale allows investors to plan for decades, not just market cycles. It creates the confidence to build capacity and grow with certainty.

India as a Manufacturing and Supply Chain Hub

India is evolving from being only a large consumer market into a global manufacturing and supply chain base.

Initiatives such as *Make in India*, Production-Linked Incentive schemes across 14 strategic sectors, and the Gati Shakti infrastructure programme are improving efficiency, strengthening logistics, and enabling scale.

The results are already visible:

- Manufacturing FDI has exceeded USD 165 billion in the past decade.
- Total FDI inflows since 2014 have crossed USD 650 billion.

Today, global firms manufacture in India not only for domestic consumption, but also for export to Europe, Africa, and Southeast Asia. India is firmly embedding itself in global value chains.

For Swedish industry, three clear pathways emerge:

1. Local manufacturing for India’s growing market.
2. India as a sustainable and cost-effective export base.
3. Supply chain diversification for global resilience.

Where Swedish Excellence Meets Indian Scale

Sweden’s industrial strengths align naturally with India’s priorities:

- Advanced manufacturing: smart automation, precision engineering, and digitalisation.
- Clean energy and industrial transition: circular economy solutions, green hydrogen, and carbon-neutral processes.
- Sustainable mobility: electric vehicles, intelligent transport, and safety systems.
- Urban infrastructure: water management, waste-to-value, and smart city projects.

A promising example is the proposed Swedish Industry Corridor in Maharashtra, designed to create connected industrial ecosystems — reducing entry friction and accelerating scale through collaboration and co-location.

Sustainability as a Growth Engine

India's green transition represents one of the world's largest investment opportunities.

With a target of 500 gigawatts of non-fossil capacity by 2030 and net-zero by 2070, the transition is driven by policy stability and market competitiveness. Renewable power, electrification, hydrogen, and circular models are no longer state-driven projects — they are commercially viable businesses.

This is where Swedish companies, as global leaders in green industrial technology, are uniquely positioned to thrive.

A Proven India–Sweden Partnership

Over 250 Swedish companies already operate successfully in India across manufacturing, ICT, life sciences, and clean energy. Many of these firms now see themselves not as foreign investors, but as long-term partners in India's growth journey.

Platforms such as the India–Sweden Innovation Partnership, LeadIT, and the Industry Transition Partnership provide strong frameworks for co-creation and shared success.

We are also excited about the upcoming Tech Arena in February, where India's Department for Promotion of Industry and Internal Trade (DPIIT) will be bringing a delegation of around 50 innovative startups from India — creating valuable opportunities for collaboration and investment.
In March, an AI Impact Summit is also planned, and we look forward to

Sweden's participation at the ministerial level. I will, however, invite our dear Robin to share further details with you.

The India–EU Framework: Predictability and Partnership

The upcoming India–EU Summit and progress toward a comprehensive India–EU Free Trade Agreement mark another important milestone. The agreement will enhance investment protection, reduce tariffs, open services markets, and provide greater regulatory clarity — benefiting Swedish exporters and manufacturers alike.

From Evaluation to Execution

So, what does this mean for Sweden's industrial leaders?

India today offers:

- Scale with stability.
- Demand with visibility.
- Reform with continuity.
- Partnership built on trust.

The time is right to move from evaluation to execution — from pilots to scale, and from transactions to long-term industrial partnerships.

India is open, dynamic, and ready to collaborate. Sweden brings world-class technology, design, and sustainability leadership. Together, we can build investments that are profitable, resilient, and future-ready.

Despite the winter outside, the warmth of this gathering reflects the optimism that connects our two nations. Let this be the beginning of the next phase of Indo–Swedish industrial collaboration.

Thank you.