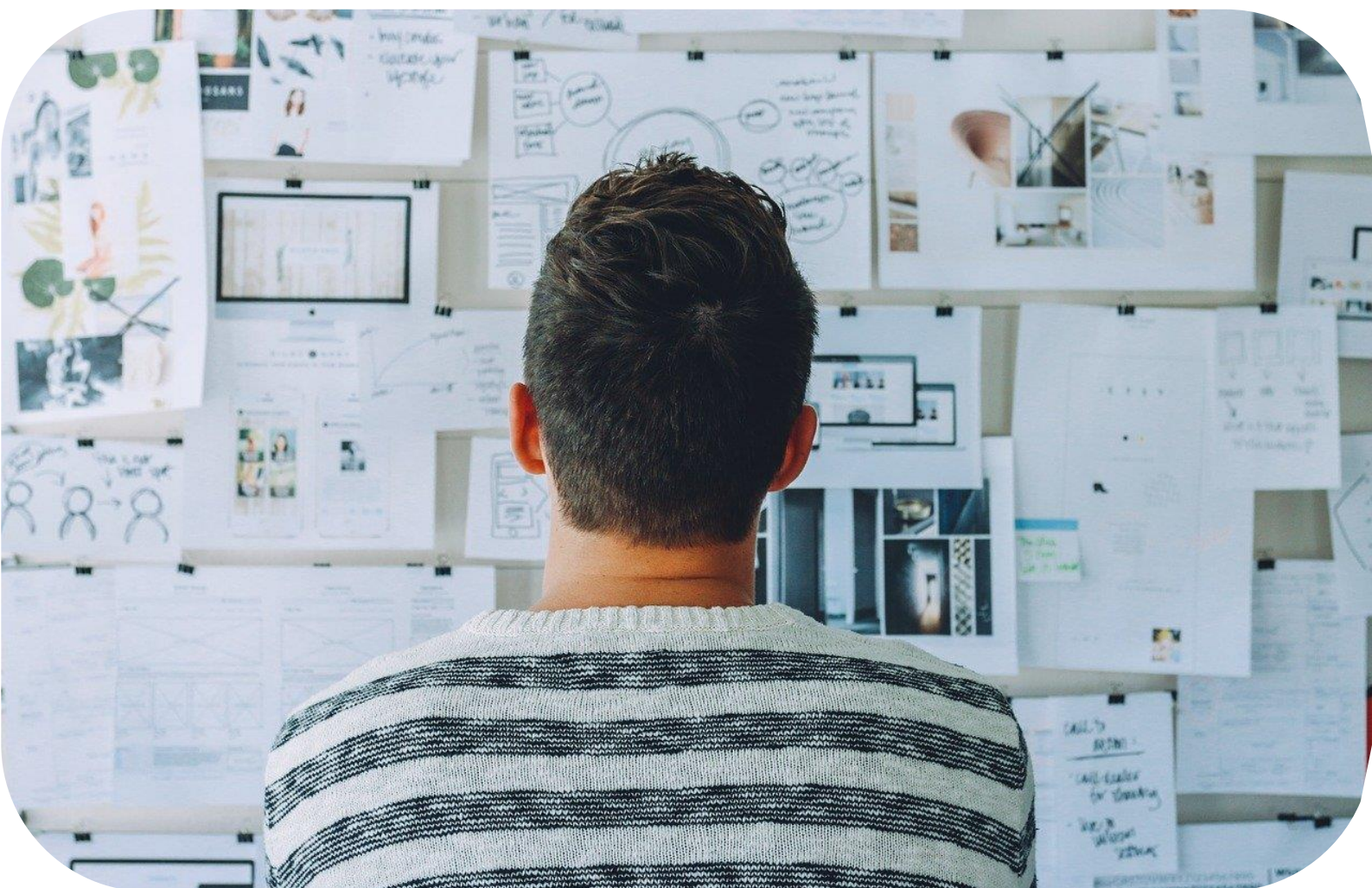


TAKE THE LEAP.



Business Start-up Guide for Young people in Sweden

Erasmus+ KA2 Project n° 2019-1-UK01-KA202-061906



MOBILIZING EXPERTISE

About the Take the Leap project:

The Take the Leap project aims to fill the gap between socially excluded youth workers who would consider setting up an enterprise and business advisers who are not equipped to provide the special support they need. How? By developing, piloting and introducing a two-level workshop-based training program, and an innovative online Training Package.

Our most relevant horizontal priority is social inclusion. The goal is to enhance the access, participation and learning performance of disadvantaged learners; working to reduce disparities in learning outcomes.

Some the objectives of the project are the following: workshops and one-to-one mentoring; sharing knowledge, skills, good practices and experience between NGOs working with young people and the development of an open digital youth work entrepreneurship Training Package.

For more information, please visit our website: www.taketheleaproject.org.uk

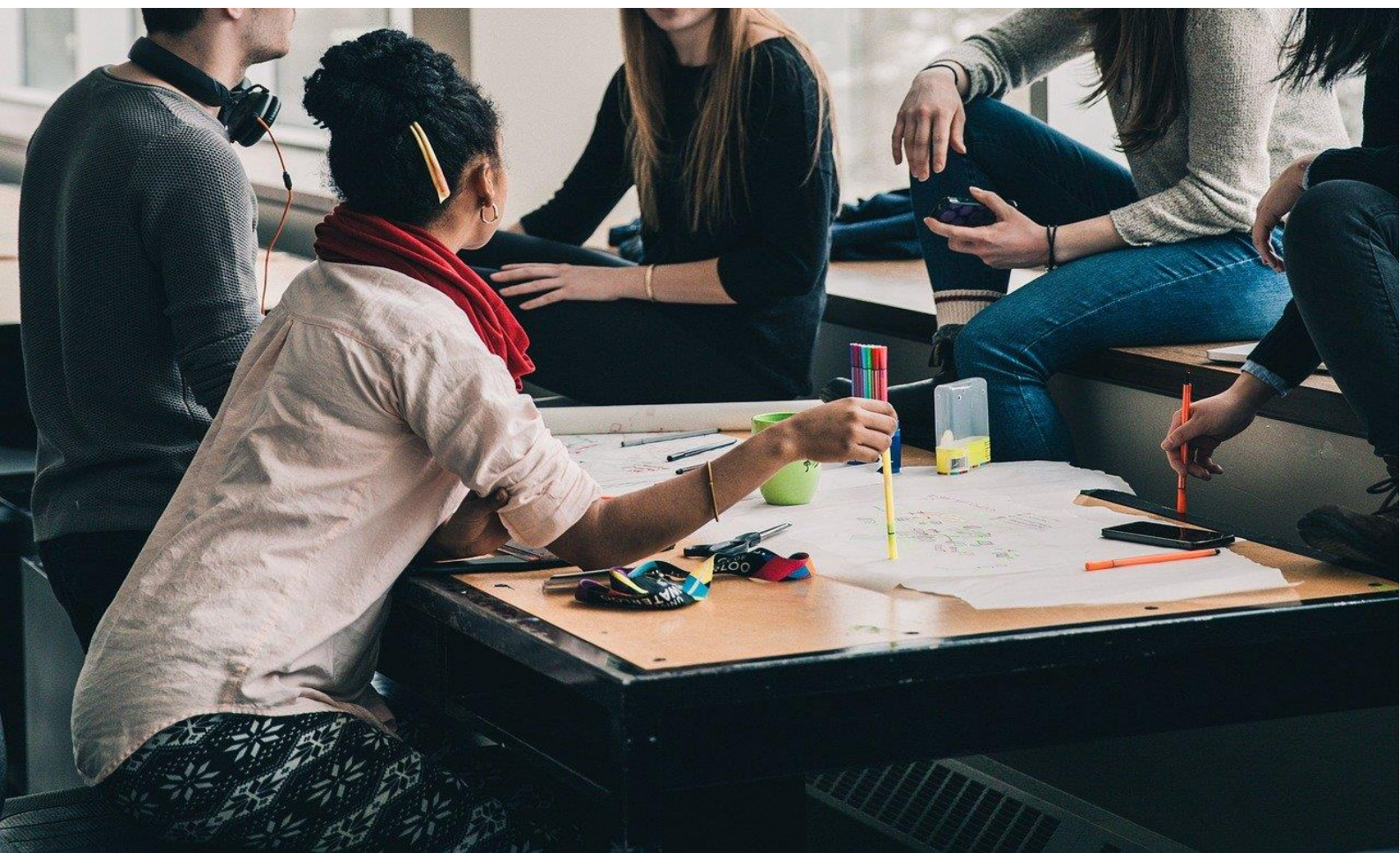
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Growing a business is a great professional and personal experience which can be impressive when we don't have enough knowledge about the process. It is indeed important to know that it is a continuous development that requires innovative thinking, organisational skills, time, motivation and commitment. Many things need to be taken into account before starting such an adventure, such one's own expectations, law regulations and the financial part, among others. Wasted time and money can thus be avoided with the right information and advice.

This Business Start-Up Guide aims to give tools to young people who are interested in starting a business and the ones who are running growing businesses in Sweden. It contains valuable information about the different steps of the process but also interesting companies' websites and links that could be useful to get some advice and expand one's network and business.

I. Business Start-up tips



Starting a business for the first time can be a challenging and massive undertaking. The most important part is to do things in a meaningful way. Even when motivation plays a great part, some guidance can help, especially at the beginning of the process. Here are some tips that can be useful for young people who would like to start this new adventure.

1. Write a business plan

The business plan, called *affärsplan* in Swedish, is the document that sums up your new company. It should include the company's main source of income, the typical clients, the planning of service or product to market, expected income and costs (called liquidity budget, *likviditetsbudget* in Swedish), among others. This is one of the key steps before starting a business, as it provides invaluable information. It also allows to better understand both operational and financial goals, which provides crucial budget and marketing strategies. Thinking about the business plan first helps to avoid pouring time and money in something that is not stable.

2. Focus on something you have a passion for

As a business requires a lot of time and energy, it's really important to enjoy working at one's own business and people need to ask themselves if they feel excitement when they think about the business they want to start and if it is worth the sacrifice of time and money. This basic piece of advice is most useful when deciding which type of business to start: focusing on one's passion and with a strong business plan gives the best chance of crafting an enduring and popular organization.

3. Get clients or customers, build one's network

It is very important to spend time in the commonplaces of the potential market in order to connect with people over online social platforms such as LinkedIn, as without clients or customers, the business will never survive. Meetings can be set up to build on contacts and provide future leads.

4. Do your research

Research are essential in the process: indeed, it is important to become an expert on one's own industry products and services, if it is not already the case. Also joining related industry or associations can be a good opportunity to be informed on new information in the market and helps to keep track on competitors actions. Indeed, assessing the market for one's products or services, seeking out the presence of potential competitors and conducting an assessment on how the business will perform can move ideas to the right direction.

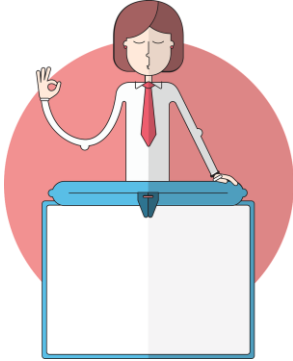
5. Seek professional help

As said earlier, there is always an opportunity to learn and become an expert in one's area and there is no problem in seeking help from the outside. For example, someone who has no experience or knowledge in accounting can hire a lawyer or get advice in order to work efficiently and professionally. It is a way to waste less time and money.

6. Get legal and taxes right the first time

It is essential during the research process to know all the responsibilities and requirement to start a business such regulations, laws of the country or continent in order to avoid difficult situations that might come later.

II. Starting a business in Sweden: where to start?



Starting a business in Sweden is relatively easy and straightforward, the important matter is to follow each step of the process in the right order not to get confused. Indeed, Sweden is a business-friendly country and starting up a company or branch is relatively easy compared to other European countries. Some of the advantages of the Swedish business framework are the following: no restrictions or disadvantages for foreign investors, clear rules for employment and redundancy of employees and competitive corporate tax framework.

✓ **Your company type**

The first thing to do is to determine what kind of enterprise you want your business to be. The most common business type is to start as a sole trader (in Swedish: enskild näringsidkare). That means that you, as a private individual, own, operate and are responsible for the business. You will be personally responsible for paying your taxes and social insurance contributions, known as “personal contributions” (egenavgifter). Except as a sole trader, businesses in Sweden can be started as: a trading partnership (Swedish: handelsbolag), a limited partnership (Swedish: kommanditbolag) or an economic association (Swedish: ekonomisk förening). It can also be a branch (filia) of a foreign based company.

Here are some questions that can help you to make a decision and identify important factors:

Are you planning to run the business on your own or with associates? Are you selling products or services? How capital heavy is the business model, does it for example require large stock and warehouses? Do you have enough share capital available upon start-up?

✓ **Verksamhet**

Once you identified which kind of business you want to start and feel ready for the pre-launch activities, your next stop is verksamhet.se. It can be seen as the Swedish point of single contact and it is where you can answer most of the important questions about the need of permit, knowing if you have the right visa or also the need of recognition of qualifications from another country.

✓ **Submit an application to the Swedish Companies Registration office**

Also called *Bolagsverket* in Swedish,. It usually takes around two weeks to obtain a registration certificate.

✓ **Register your business and apply for “F Tax”**

Once you have registered your business with the Swedish Companies Registration Office, you need to register with the Swedish Tax Agency for taxation purposes. Indeed, all companies must register

with the Swedish Tax Agency (Skatteverket in Swedish). When you register, you can apply for F-tax approval, register for business VAT and register as an employer.

F and FA tax are two forms of Swedish corporate taxation : F Tax is for those who have only one source of income : their business, whereas FA-skatt is for people who have another employment.

In fact, it means that you are approved to pay your own taxes and social fees anytime a customer hires you to do a job. If you don't have F tax, the customer must take this into account when paying you. Basically, F tax takes this responsibility off the customer. Applying for these two forms of taxation is free of charge.

Once you registered at the tax office, your entreprise receives a unique corporate identity number called Organisationummer. You will then pay an annual tax that will be calculated according to your estimated yearly profit (amendable during the year).

✓ **Register your company name**

As your company name is your brand, it is an important step and detail in order to make it easy for customers or partners to find you. The name should then be chosen wisely as it can influence the future expansion of your business and of your network. You should also check if it is not already taken on Google and at Bolagsverket, the Swedish Registration Office.

✓ **Invest in an accounting software**

In Sweden, all kinds of companies need to comply with the Swedish accountancy regulations. Indeed, companies need to send their accounts annually to Bolagsverket, according to the Swedish Book-Keeping act. In this case each company has the choice to hire an accountant or manage its own books: either way you will need some kind of accounting software (ERP) in order to keep track of your numbers.

✓ **Get an office/ Office space**

Here is an interesting website for long-term office space rent : [Workaround](#)

 Want to be inspired? 5 entrepreneurs who have started companies in Sweden share their stories [here](#).



III. Financing a business in Sweden

Funding is a key point when starting a business. Indeed, it can be considered as the fuel that powers a business and is used for materials, machinery and equipment, websites, marketing, such as advertising and brochures, offices supplies, day-to-day expenses (salaries, bills, insurance, and so on), but also occurs when the business begins to grow, when it is needed to rent new locations, among others.



It is essential to the success of your business: the quality of product or services of business depends on their financial situation. Looking for funding sources when starting a business can be confusing, that is why it is important to know the different options that exist. No worries, the positive point is that there are many ways to attain funding, depending on the business type and perspective of the owner(s).

An important step is to calculate your total costs and to try to estimate how much money is needed to set up your business but also your personal costs so that you have enough money to live on.

Listed below are some common funding sources:

Personal savings

The first one is personal savings, which allow people to start their business on their own. It is the most appealing source of financing because it is a way to stay totally independent in the process. There is the satisfaction of using one's own cash to fund the business, but also the danger to lose everything if the business fails. Some time may be needed before having a fixed salary, which is why it is important to have savings, get an extra job or staying in your old employment during your start-up. The majority of entrepreneurs start their business using their own funds and hard work. **Family and friends** can also be an idea as it is a faster funding process: Furthermore, there are flexible payment methods. Maybe the negative point that can be highlighted is that there is no advice given by the relatives regarding the business as in most cases they have no expertise.

Own funds are not always sufficient. In this case, there is the possibility to contact a bank or a lender. The amount of money you can borrow is mostly determined by the estimated risk in your business concept and the security that will be required for the loan to be granted.

Here are some possibilities:

Crowdfunding

Crowdfunding is an emerging alternative form of financing that connects those who can give, lend or invest money directly with those who need financing for a specific project. It usually refers to public online calls via the internet. It allows to use the vast networks of family, friends and

colleagues thanks to different social platforms, with the goal of attracting new investors. It is an interesting source as it has the potential of expanding a business, but it requires time and dedication before realizing results.

Angel investors

Angel investors are wealthy individuals that provide funding in exchange of a share of equity in the business. It is interesting because they can offer valuable advice and guidance since they have experience in the industry you're in, but it also means that you have less independence and may give up control to some extent.

Venture capital

Venture capitalists are investors who invest when it provides good returns. They put important amount of money for equity in the business and can offer expertise and mentorship, which is valuable, but as they invest a lot of money, it also means that there is less independence regarding decisions to be taken.

EU/public financing

Public backers such as the EU and other authorities may offer partial financing of projects under certain circumstances, such Erasmus Plus (European Union programme for education and training, youth and sport), the European Fund for Strategic Investments (initiative to revive investment in strategic projects in Europe), the European Regional Development Fund (which aims to strengthen economic and social cohesion in EU), the European Social Fund (which invests in people with a focus on improving employment and education opportunities across the EU).

There are also:

- Credit from suppliers (with better payment terms, for example)
- Advances from customers (ask for early payment)
- Operating loans from the bank, normally a small overdraft facility to cover fluctuating
- Cash flows
- Bank loans.

In order to browse the Swedish main banks you can visit [the Swedish Banker's Association website](#). In most cases, banks make an overall evaluation in order to assess the risks associated with the loan and parameters of evaluation are usually : your experience, private financial situation, references, education, the business plan (if realistic and detailed), other owners of the company, if there is an accountant...

✓ **Almi Företagspartner AB**

[Almi Företagspartner AB](#) is a company loan owned by the state and has regional representation with 50 offices across Sweden. It offers financing and business development for small and medium sized enterprises, including ideas with potential for growth in the early stages as well as existing companies. The combination of an Almi loan and your own financing or bank loan can give you access to more capital.

✓ **The Knowledge Foundation**

The Knowledge Foundation supports small and medium-sized companies and provides funding when activities are conducted in collaboration between academic staff and business sector partners.

<http://www.kks.se/om-oss/in-english/>

✓ **Connect Sweden (Connect Sverige)**

Connect Sweden is a non-profit network which helps companies to find venture capital and private investors.

<https://connectsverige.se/>

✓ **Industrial Fund (Industrifonden)**

Industrifonden is a long-term investor which offers equity capital or loans to Swedish companies with the potential to grow at the international level.

<https://industrifonden.com/>

📖 Interesting article to read: [Funding your start-up in Sweden](#)



IV. Get help and support for your business in Sweden



Skattepunkten's Office Services AB

Skattepunkten's Office Services AB helps individuals and companies to establish businesses in Sweden : they create companies, handle registrations at the relevant Swedish authorities and do accounting, payroll, invoicing tax returns among others.

<https://www.skattepunkten.se/en/home>

Verksamst.se

Verksamst.se is a website set up by three Swedish authorities (the Companies Registration Office, the Tax Agency and the Agency for Economic and Regional Growth) which contains many information and ways to find advisors and build a network for one's business.

<http://www.verksamst.se>

Business-Sweden

Business-Sweden is the Swedish Trade and Invest Council. It offers the many services to international companies who would like to invest in Sweden, including Strategic investment advice and tailored business information, matchmaking and presentation of investment opportunities, meeting arrangements in Sweden, Information on how to establish and run a business, access to business Sweden's network (introductions to public and private companies/organizations).

<https://www.business-sweden.com/>

Swedish Chamber of Commerce

There are approximately 30 foreign Chambers of Commerce in Sweden and are all based in Stockholm. They provide support to Swedish and foreign companies who would like to set up a business in Sweden.

<https://www.swedishchambers.se/foreign-chambers-of-commerce-in-sweden.htm>

NyföretagarCentrum (Swedish Jobs and Society Foundation)

The Swedish Jobs and Society Foundation (NyföretagarCentrum) has offices all over Sweden where people can receive advice on how to start their own enterprise. All of the offices are run by the local enterprises, which ensure clients solid advises based on experience and a fast track into the local entrepreneurial network: it includes preparing a business plan, guiding through budget preparations among others. They also hold regular events around the country.

www.nyforetagarcentrum.se

Business Regions

The Business Regions offer tailor-made solutions for companies wanting to establish a new business in the region, as well as for companies wanting to expand an existing business.

[Stockholm Business Region](#)

[Business Region Göteborg](#)

[Business Region Skåne](#)

The Swedish Migration Agency (Migrationsverket)

A residence permit is required if you are going to work for longer than three months starting up and running your own business, or if you are becoming a part-owner of a company. The Swedish Migration Agency will do a financial assessment of your business plans and if you can show that after the trial period of two years, your company's finances are in balance and that you can support yourself and any family members. The Migration Agency will issue your residence permit.

<https://www.migrationsverket.se/English/Startpage.html>

The Swedish Public Employment Service (Arbetsförmedlingen)

The Swedish Public Employment Service offers service to those who want to start their own business and helps them to recruit employees. Job vacancies can be published on their website. You can find information about starting your own company at arbetsformedlingen.se, or you can call 0771-416 461.

<https://arbetsformedlingen.se/other-languages/english-engelska>

The Swedish Patent and Registration Office (Patent- och registreringsverket, PRV)

The Swedish Patent and Registration Office (PRV) provides protection and sole rights to technical ideas, trademarks and designs.

<https://www.prv.se/en/>

The Swedish Agency for Economic and Regional Growth (Tillväxtverket)

The Swedish Agency for Economic and Regional Growth works mostly for sustainable growth and competitive companies in Sweden. It offers knowledge, networks and financing to entrepreneurs.

<https://tillvaxtverket.se/english>

The Swedish Social Insurance Agency (Försäkringskassan)

The Swedish Social Insurance Agency provides information on sick pay, sickness benefits and parental benefits on its website. There are also web pages for employers.

https://www.forsakringskassan.se/privatpers!/ut/p/z1/04_Sj9CPykssy0xPLMnMz0vMAfljo8ziTTxcnA3dnQ28LdyNTQ0cAwMMjU38jby8gg30w_Wj9KOASgxwAEcD_YLsbEUAFUIRCA!!/dz/d5/L0IDUmlTUSEhL3dHa0FKRnNBLzROV3FpQSEhL2Vu/?keepNavState=true

The Swedish Board of Agriculture (Jordbruksverket)

The Swedish Board of Agriculture is the administrative authority for programmes based on the governmental rural development policy. Information on various forms of support offered to entrepreneurs in rural areas can be found on their websites.

<https://djur.jordbruksverket.se/swedishboardofagriculture.4.6621c2fb1231eb917e680002462.html>

The Swedish Work Environment Authority (Arbetsmiljöverket)

The Swedish Work Environment Authority is tasked with ensuring that laws on working environment and working hours are followed by companies and organizations. Its goal is to reduce the risks of ill-health and accidents in working life and to improve the working environment from a holistic perspective.

<https://www.av.se/en/>

Statistics Sweden (Statistiska centralbyrån)

Many information and statistics relevant when starting or developing your business are available on the website. There is also a search function to help you find the right industry codes (SNI codes) for your business. Data can also be submitted to Statistics Sweden via the website.

<https://scb.se/en/>

Enterprise Europe Network

Enterprise Europe Network is represented by over 600 organisations in more than 50 countries. It offers free support and services to small and medium-sized enterprises and provides different information, including how to access to EU funding, understand EU legislation, make international connections, bring one's on innovations to market.

<https://enterpriseeurope.se/in-english.html>

The Tax Agency (Skatteverket)

The Tax Agency can also be a way to get some advice when starting a business in Sweden. Indeed, it arranges free information gatherings in many locations around Sweden and shows how to register a new company, gives tips about getting started.

<https://www.skatteverket.se/servicelankar/otherlanguages/inenglish/businessesandemployers/registeringabusiness.4.12815e4f14a62bc048f5179.html>

Additional reading : Books and articles

Online books and interesting articles are also available for people who are interested in starting a business in Sweden, whether they are still asylum seekers or if they have no funds, many information are available, here are the links:

- [Starting a business in Sweden](#)
- [Starting a business without money](#)
- [The book on starting your own business](#)
- [Start a company](#)
- [Running a business](#)