Planned Investments in the Stockholm region 2019-2040
Introduction

About the report
Investments are financial resources that increase the real capital in society. The growth of real capital is an important factor behind the rapidly rising material standard in industrial countries over the past few centuries. To a large extent, today’s welfare is a consequence of yesterday’s investment. Therefore, investments made today are the prerequisite for the growth and productivity of tomorrow. This report aims to provide an overview of the most important future investments within the Stockholm region.

This report, commissioned by Invest Stockholm and written by Tyréns AB, summarises the most interesting/largest construction projects in the Stockholm region. The report is updated every two years.

Executive summary
This report of planned construction projects within the Stockholm region shows a total investment volume of 111 billion € until the year 2040. This is a steady increase since 2017, when the investments were worth 95 billion €. The largest investment share is in housing, with an investment volume of 60.7 billion €, followed by infrastructure investments in railway, subway and light rail, with an investment volume of 9.6 billion €. While construction projects are being planned throughout the whole region, there is a concentration of projects in central Stockholm.

The expected volume of construction over the coming years largely exceeds what can be accomplished with the existing regional working force. The Stockholm county alone will be in need of approximately 46,000 construction workers in mostly manual labour trades. The large volume of investment in construction projects and the shortage of labour force provide great opportunity for international investors and construction companies to enter the regional market.
**Stockholm Business Alliance**

Stockholm Business Alliance (SBA) is a partnership between 55 municipalities in eight counties which focuses on attracting foreign investment to the region. Its common vision is to maintain the position as Europe’s leading sustainable growth region. Stockholm Business Alliance is run by Invest Stockholm. The municipalities within SBA will be referred to as the Stockholm region in this report.

**Project: Stockholm South Business District**

The vision of Stockholm South Business District is to develop the regional center of Flemingsberg into an international business and research hub. The planning phase has been initiated, aiming to provide a new future for southern Stockholm. The area, covering 75 hectares, will become a new meeting place for 50,000 workers, 50,000 residents and 50,000 visitors. At the end of 2019, the detailed planning work for the various construction phases will be initiated.

- **Investment volume:** 2.8 billion €
- **Location:** Flemingsberg, Huddinge
- **Phase:** Planning phase
- **Stakeholders:** Huddinge municipality

The Stockholm South Business District will combine high rise buildings with an urban environment offering plenty of green areas, retail space and services.
Stockholm is not only the largest metropolitan area in Sweden, it’s also the fastest growing. With a rapid growth of people and businesses the need for new infrastructure, housing and workplaces is large. How large? A new study shows that the sum of the planned construction investments in the Stockholm region is worth 111 billion €. Last time the study was conducted, in 2017, the sum was 95 billion €, and in 2015 it was 83 billion €. The region is not just growing, it’s growing faster than ever before.

A growing region

It’s been said that one can measure the growth of a region by counting the number of construction cranes seen across the skyline. Well, in Stockholm there are many.
Project: the Stockholm bypass

Project type: Highway infrastructure
Investment volume: 2.8 billion €
Location: Stockholm county
Phase: Under construction
Stakeholders: Trafikverket

The Stockholm bypass – Förbifart Stockholm – is a new route for the European highway (E4) that currently passes through the Swedish capital. Stockholm bypass will connect the southern and northern parts of the Stockholm County below lake Mälaren. The new road will be 21 kilometres long, of which 18 kilometres will be underground.

The bypass aims to relieve the highly trafficked Essingeleden and the inner city, and to reduce the vulnerability of Stockholm’s transport system. The bypass will stretch from Kungens kurva in the south to Häggvik in the north with six new intersections. The travel time for the entire route is estimated to be 15 minutes. The construction period is approximately ten years and the road will open for traffic in 2026.

In order to spare naturally and culturally important areas, the bypass will run through a tunnel for large stretches of the total distance. Bypass Stockholm is estimated to cost approximately 2.8 billion €, of which 80 percent is financed by the Stockholm congestion tax and 20 percent by the Swedish state.

Housing and infrastructure at the top of the agenda

With an increasing population, an increased rate of residential construction has been high up on the agenda. So high, that the government of Sweden has made a deal with local authorities to invest heavily in regional infrastructure in exchange for large scale planning of new residential areas at local level.

The results of this deal are visible in the quantity and size of the region’s investments in urban development projects. More than half of total investments are in residential buildings, with the planned projects including more than 400 000 housing units! Slightly more than a fifth of the planned investments are in transportation, logistics and infrastructure, such as the extension of the subway system, extension and capacity increase of the railway system and several large highway projects. The last quarter is made up of investments in industrial complexes, office buildings and workplaces as well as public services, public space and commercial buildings, to service the growing population.

“...
The more housing units you construct, the more metro you get”
HG Wessberg, of the Stockholm negotiation
Project: Barkarbystaden

Project type: City district development  
Investment volume: 2.7 billion €  
Location: Järfälla  
Phase: Under construction, third phase  
Stakeholders: Järfälla municipality

The detailed development plan for the third phase of developing Barkarbystaden has gained legal force. It is said to be Sweden’s largest detailed development plan, and comprises 10 blocks with 4 400 housing units in multifamily housing and townhouses, a primary school, preschools, retirement homes, services, retail, public squares and parks and a sports field. The area is adjacent to a planned metro station and to recreational areas.

In the area, there are several cultural-historical markers from the time when the Barkarby field served as an airport. These will be preserved and brought forward in the new cityscape. Among other things, a hangar is preserved and the streets will follow previous runways. In 2019, construction will start for three neighbourhoods in the area. Byggvesta, Botrygg, K2A and Credentia will build tenant-owned apartments, rental apartments and student housing, a preschool and recreational activities with a focus on leisure, restaurants and grocery stores, art workshops and small-scale workplaces with predicted moving in date in 2021. In a regional agreement on the expansion of the subway to Barkarby, Järfälla municipality has vowed to erect 14,000 housing units in the subway’s influence area by 2032. Within the urban development area Barkarby, expansion is underway within the detailed development plan for Barkarbystaden I, Barkarbystaden II, Barkarbystaden X. In the same area, Barkarbystaden IV, Veddesta 1, Veddesta 2, Veddesta 3 and Veddesta 4 are being planned.

A comparison between municipalities

Construction projects are planned throughout the whole Stockholm region. While the largest chunk unsurprisingly is in the regional center, Stockholm city, large parts of the infrastructure span from Stockholm to the outskirts of the region and large development projects are planned in all of the larger cities.

Stockholm - 31 billion €  
Stockholm attracts almost a third of the region’s total investment. There are both large residential projects as well as infrastructure projects planned in Stockholm. Both the Subway Extension (page 14) and the Stockholm Bypass (page 8) are located in Stockholm.

Uppsala - 5.7 billion €  
Uppsala, the fourth largest city of Sweden, has the second largest planned investment volume in the region. This is to a great extent the result of large development projects, such as Ulleråker on page 16.

Huddinge - 5.3 billion €  
Huddinge, a municipality just south of Stockholm, has the third largest planned investment volume in the region. Stockholm South Business District (page 5) is located in Huddinge.

Järfälla - 4.7 billion €  
Järfälla, a municipality just north of Stockholm, has undertaken a huge residential development project in Barkarbystaden, (see page 10), putting it in fourth place in investment volume.

Norrköping - 3.8 billion €  
Norrköping, a medium sized town south of Stockholm, has big plans for residential development as well as hosting big parts of the Ostlänken railway.

Västerås - 3.6 billion €  
Västerås, a medium sized town west of Stockholm is growing rapidly and is planning for more housing units.
Construction workers needed!

The construction projects currently being planned require a workforce that is larger than what the region can supply. According to the estimates, 45,000 construction workers (frame builders and related trades) will be needed to construct the proposed projects for 2019 in the Stockholm county. The county supply of construction workers is only 20,000 workers, creating a huge deficit of 25,000 workers.

The situation is similar for building finishers with a deficit of 14,000 workers; painters and building structure cleaners with a deficit of 5,000 workers; Electrician and electronic equipment mechanics and fitters with a deficit of 1,000 workers and mobile plant operators with a deficit of 1,000 workers.

Project:
Subway extension

Project type: Subway infrastructure
Investment volume: 2.5 billion €
Location: Stockholm
Phase: Under construction
Stakeholders: Region Stockholm, Trafikverket, the municipalities of Solna, Nacka, Stockholm and Järfälla.

Region Stockholm is the main actor in the development of the Stockholm subway extension. Nearly 20 km of extensions and eleven new stations are being planned. In the future, it will be possible to take the metro to and from Nacka, Barkarby and Arenastaden. In addition, the blue line will become connected to the green Hagsätra line.

As more and more people choose to live in the Stockholm region, a well-functioning public transport becomes even more crucial. In order for the city to continue to grow, the region needs to invest in sustainable traffic solutions, in order to make everyday life in Stockholm’s smoother.

The expansion work started in early 2019 in Barkarby, which is the first stage in Stockholm’s extended subway system. Construction of the subway system to Arenastaden and to Barkarby is estimated to last about 6 years, while for Nacka and Söderort, the predicted construction period is 7 to 8 years.

Building frame and related trades - 25,000 workers needed
Building frame workers include ironworkers, masonry workers, construction carpenters and work primarily in the early stage of construction.

Building finishers and related trades - 14,000 workers needed
Building finishers include craftsmen, roofers, plumber and work primarily in the mid stage of construction.

Painters, building structure cleaners and related trades - 5,000 workers needed
Painters, plasterers, building structure cleaners and workers in related trades work primarily in the late stage of construction.

Electrical and electronic equipment mechanics and fitters - 1,000 workers needed
Electricians and electronic equipment mechanics and fitters install electricity and telecom in the late stage of production.

Agricultural and other mobile plant operators - 1,000 workers needed
Mobile plant operators perform the heavy duty work in the early stage of construction.

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Invest Stockholm

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About the author
Tyréns AB is one of Sweden’s leading community development consultancies. Together with our customers and partners, we create sustainable solutions in the fields of urban development and infrastructure. We have 2 700 employees across our operations in Sweden, Denmark, the UK, Estonia and Lithuania.

Tyréns AB is owned by a private foundation and this makes it possible to commit ourselves to research and development within the urban and rural development sector. We are driven by a thirst for knowledge and work closely with universities and other research institutes.

About the study
Tyréns AB has put together a database of planned construction projects. The basis is a database purchased from Sverige Bygger, a project broker, and is supplemented with input from the municipalities of the region.

Using the database, Tyréns has estimated the total volume of planned investment projects and how these are distributed between categories and municipalities. The purpose is to measure the potential of the region as well as spark the interest of investors and construction companies.

Project: Ulleråker

Ulleråker, a new urban area located just south of Uppsala’s city center, is one of the country’s largest urban development projects. A dense and climate-smart neighbourhood with 7 000 new homes and services is being planned.

The area is situated about 2.5 km south of Uppsala city center and is delimited by Kungsängsleden in the north, Fyrisån in the east, the Ultuna field in the south and Dag Hammarskjöld’s road in the west.

Currently, the detailed development plans for Vinghästen and Sagan have been approved by the city council.

Project type: Urban development
Investment volume: 0,8 billion €
Location: Uppsala
Phase: Planning phase
Stakeholders: Uppsala municipality

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