

Sweden Construction Equipment - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts 2019 - 2029

Market Report | 2024-02-17 | 70 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

Report description:

The Sweden construction equipment market is valued at USD 1.43 billion and is anticipated to surpass a net valuation of USD 2.05 billion, registering a CAGR growth of 6.05% during the forecast period.

Key Highlights

- Increasing government spending on infrastructural development, rising investments in the construction and mining sector, and developments in road transportation infrastructure owing to the surge in population and urbanization serve as the major determinants for the growth of the construction market in Sweden, which, in turn, positively contributes to the surging demand for construction equipment across the country.
- Sweden boasts of one of the highest urbanization rates in the European region, with 88% of its overall population residing in urban areas as of 2022. The high urbanization rate leads to consumers availing various private and public transportation mediums for their commutes, which leads to higher congestion in these cities. Therefore, road infrastructure development has become a major focus area for the Swedish government. Coupled with that, developments in cross-border road connectivity serve as another deterministic area for enhancing the trade ecosystem of a nation. Hence, with the government's increasing focus on developing its road infrastructural network, there exists a massive demand for construction equipment in the country.
- For instance, the Swedish government is highly focused on investing large sums in the Stockholm Bypass project to develop a new motorway linking southern and northern Stockholm and create a new route for the European E4 highway past Stock. This project aims to manage the ever-increasing road congestion that accompanies the population growth in Stockholm, which is expected to reach 2.5 million by 2030.
- One of the major challenges faced by the construction equipment industry in Sweden is the high cost of replacement and maintenance of the equipment, which becomes a financial burden for construction companies and equipment rental companies. Since these equipment products operate for a longer duration and need to sustain heavy loads at all times, there is constant wear

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

and tear of the equipment, which needs frequent maintenance checks and, in extreme cases, complete replacement of the product. Thus, construction companies and equipment rental companies owning these machinery need to spend hefty sums to make sure that these equipment are operating efficiently at all times, which increases their cost of operation. Coupled with that, falling demand for housing in Sweden, owing to the increasing interest rate and high mortgage debt, is negatively impacting the housing sector development, which in turn deters the growth of the construction equipment market in the country. The Swedish government follows old and rigid policies for controlling rent, which negatively impacts the building of new houses for rent due to the low-profit margin for the house owners and builders. Further, the central bank's strategy to increase interest rates is deterring consumers from taking further debts for constructing new houses, thereby affecting the construction equipment market in Sweden.

-The government's pragmatic initiatives for infrastructural development across Sweden are anticipated to contribute to the surging demand for construction equipment in the coming years. For instance, in May 2023, the Swedish Transport Administration announced the construction of a permanent electric road, which is expected to lead to an expansion of a further 3,000 km of electric roads in the country by 2035. The administration announced that it had identified the E20 highway as the ideal location for this pioneering endeavor, a 13-mile (21 km) stretch extending from Hallsberg to Orebro between Stockholm and Gothenburg, which is expected to be accessible to the public from 2025-2026. With increasing investment to enhance the infrastructural capability of Sweden, there will exist a massive demand for construction equipment during the forecast period.

Sweden Construction Equipment Market Trends

Increasing Government Spending on Construction, Infrastructure, and Mining Sector

- Increasing investment in the country's real estate, commercial, and construction sectors, among others, and the growing mining sector is further aiding the demand for advanced construction machinery across Sweden. Various development projects, such as the National Transport Develop Plan, assist in expanding the construction market across the country, thus, in turn, positively impacting the demand for construction equipment. For instance,

- In January 2023, LKAB, a state-owned Swedish mining company, announced that it had found Europe's largest known deposit of coveted rare earth metals, critical to many green technologies, including electric vehicles, in a far northern part of the country within the Arctic Circle. As the Swedish government formulates a plan to initiate the extraction of these rare raw materials, the mining sector of the country will witness a rapid expansion in the coming years, which in turn will foster the growth of the construction equipment market.

- In June 2022, the Swedish government announced a new national transport infrastructure plan that will witness a record sum of SEK 881 billion (USD 86.6 billion) being spent during 2022-2027. Out of the overall investment envisaged, SEK 165 billion (USD 14.87) will be allocated for the operational and maintenance of the national railway network, and a total of SEK 437 billion (USD 39.38 billion) will be invested to develop the Swedish transport system across all modes.

- Coupled with that, rising investment in enhancing the transportation infrastructure of the nation is expected to boost the construction equipment market in Sweden in the coming years. Various private companies operating across Sweden, such as Electreon, are actively focusing on assisting the government in their strategy for the electrification of road transportation infrastructure across Sweden. For instance,

- In January 2023, Electreon, an Israeli-based startup, announced that it had raised NIS 40 million (USD 11.8 million) to bid on a tender for the construction of the first 42-kilometer (26-mile) long electric road in Sweden. The purpose of the financing was to enable the company to compete in the largest electrification tender in Europe.

- With the government's consistent effort to build a decarbonized public transport infrastructure, along with the support provided by the private construction companies to assist the government's pragmatic plans, the construction equipment market is anticipated to record surging growth during the forecast period.

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Electric Drive Segment of the Market to Gain Traction during the Forecast Period

- The extensive focus of the Swedish government to achieve a carbon-neutral economy is aiding the rapid transformation in various sectors in adopting a new energy ecosystem. With the aggressive strategy adopted by the government of Sweden to achieve a reduction in carbon emissions, there will exist a greater demand for advanced products used in various sectors, which helps in the reduction of carbon content in the environment. For instance,
- The Swedish government has formulated a long-term strategy to achieve no net emission of greenhouse gases into the atmosphere by 2045. Further, the government has also announced that they are active measures to ensure that emissions are lowered by 63% by 2030 compared to 1990 levels. Sweden has also imposed a carbon tax to promote the utilization of new energy. As of June 2023, the carbon tax stood at Euro 122 (USD 130) per tonne of fossil carbon dioxide emitted.
- Total renewable energy capacity in Sweden touched 38,044 megawatts in 2022, expanding at a CAGR of 6.9% between 2018 and 2022. Therefore, with the increasing focus on promoting the utilization of new energy sources, Sweden is recording falling CO2 emissions in the country, which fell to 40.8 million metric tons in 2022, compared to 47.1 million metric tons in 2019.
- With the shifting focus towards adopting a new energy ecosystem, various companies operating in different industries are actively promoting the use of products and equipment to help in air pollution reduction. Construction equipment companies operating in space are investing hefty sums in developing new products that are operated via an electric drive type, which is expected to record surging growth in the coming years. For instance,
- In January 2023, Volvo Construction Equipment, a Sweden-based construction equipment manufacturer, announced the introduction of the DD25 Electric asphalt compactor at ConExpo 2023, making it the first electric product to be developed in the asphalt segment. The company further announced that this specific model will be available to consumers from Q1 2024.
- Further, in January 2023, Volvo CE announced an investment of SEK 65 million (USD 6.3 million) into the production of electric wheel loaders from its plant in Arvika, Sweden, As part of its ambition towards industry transformation through sustainable solutions.
- Moreover, electric construction equipment products being developed by international manufacturers are being made available to Swedish customers via their dealership network operating in the country. With the increasing focus on decarbonization, there will exist a greater demand for electric drive-type equipment in the coming years as more and more construction and rental companies include these products in their fleet, thereby contributing to the surging growth of the electric drive-type segment of the market during the forecast period.

Sweden Construction Equipment Industry Overview

The market is moderately fragmented and competitive, with the presence of various international construction equipment companies operating across Sweden either through a dealership network or via their manufacturing facility. Some of the major players include Caterpillar, Komatsu, Liebherr, Volvo Construction Equipment, Kubota, Kobelco, JCB, Hitachi Construction Machinery, Takeuchi, and Hyundai Construction Equipment, among others. These players compete based on various parameters such as equipment quality, price, dealership network, geographical coverage, aftersales services, product diversification, and value-added services such as equipment as a service (EaaS), among others.

Various companies operating in the ecosystem are highly focusing on investing hefty sums in R&D activity to diversify their construction equipment product portfolio across Sweden to cater to the increasing demand of the customers. For instance,

In July 2023, Volvo Construction Equipment, a construction equipment company based out of Sweden, announced the launch of a new Compact Business unit to integrate the lucrative opportunity that the compact equipment market provides.

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

In August 2022, Volvo Group announced the initiation of the process to establish a large-scale production plant for battery cells in Sweden, which will be designed specifically for commercial vehicle applications, supporting the global roll-out of construction equipment and electric drivelines for different applications.

In June 2022, Liebherr, a construction equipment manufacturer, exhibited numerous earthmoving and material handling machines for a wide range of applications at the Svenska Maskinmassan fair held in Stockholm, Sweden. With the L 508 Compact, the L 556 XPower, the L 586 XPower, and the L 509 Tele, Liebherr exhibited four of its wheel loader models to attract customers in Sweden. Further, the company also exhibited its Generation 8 crawlers and compact wheeled excavators at the fair.

The market is expected to witness the launch of various advanced construction equipment products to cater to the growing needs of customers, which will assist the companies in gaining a competitive edge in the market.

Additional Benefits:

- The market estimate (ME) sheet in Excel format
- 3 months of analyst support

Table of Contents:

1 INTRODUCTION

- 1.1 Study Assumptions
- 1.2 Scope of the Study

2 RESEARCH METHODOLOGY

3 EXECUTIVE SUMMARY

4 MARKET DYNAMICS

- 4.1 Market Drivers
 - 4.1.1 Increasing Government Spending on Construction, Infrastructure, and Mining Sector
- 4.2 Market Restraints
 - 4.2.1 High Cost of Replacement and Maintenance
- 4.3 Industry Attractiveness - Porter's Five Forces Analysis
 - 4.3.1 Threat of New Entrants
 - 4.3.2 Bargaining Power of Buyers/Consumers
 - 4.3.3 Bargaining Power of Suppliers
 - 4.3.4 Threat of Substitute Products
 - 4.3.5 Intensity of Competitive Rivalry

5 MARKET SEGMENTATION (Market Size in Value - USD)

- 5.1 By Equipment Type
 - 5.1.1 Earthmoving Equipment
 - 5.1.1.1 Excavators
 - 5.1.1.2 Backhoe Loaders
 - 5.1.1.3 Motor Graders
 - 5.1.1.4 Other Earthmoving Equipment (Bull Dozers, etc.)
 - 5.1.2 Road Construction Equipment
 - 5.1.2.1 Road Rollers

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 5.1.2.2 Asphalt Pavers
- 5.1.3 Material Handling Equipment
 - 5.1.3.1 Cranes
 - 5.1.3.2 Forklift & Telescopic Handlers
 - 5.1.3.3 Other Material Handling Equipment (Articulated Boom Lifts, etc.)
- 5.1.4 Other Construction Equipment (Concrete Pump Trucks, Dumpers, Tippers, etc.)
- 5.2 By Drive Type
 - 5.2.1 Hydraulic
 - 5.2.2 Electric/Hybrid

6 COMPETITIVE LANDSCAPE

- 6.1 Vendor Market Share
- 6.2 Company Profiles*
 - 6.2.1 Caterpillar
 - 6.2.2 Komatsu
 - 6.2.3 Liebherr
 - 6.2.4 Volvo Construction Equipment
 - 6.2.5 Yanmar
 - 6.2.6 Hitachi Construction Machinery
 - 6.2.7 JCB
 - 6.2.8 Kobelco
 - 6.2.9 Hyundai Construction Equipment
 - 6.2.10 Kubota
 - 6.2.11 Takeuchi
 - 6.2.12 Manitou Group
 - 6.2.13 Konecranes

7 MARKET OPPORTUNITIES AND FUTURE TRENDS

- 7.1 Adoption of Electric/Hybrid Machinery Compared to Traditional Hydraulic Machinery

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Sweden Construction Equipment - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts 2019 - 2029

Market Report | 2024-02-17 | 70 pages | Mordor Intelligence

To place an Order with Scotts International:

- ☐ - Print this form
- ☐ - Complete the relevant blank fields and sign
- ☐ - Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2025-05-11"/>
		Signature	

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com



Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com
www.scotts-international.com