GERNANDT & DANIELSSON

G&D Monthly Digest

January 2026

This news overview has been compiled by Gernandt & Danielsson's specialist team and is updated month by month. Added news for this month are highlighted in beige. For this month, we have included an in-depth analysis at the end.
Please click here if you are interested in subscribing to the G&D Monthly Digest.

Data & Tech

ARTIFICIAL INTELLIGENCE

- On 9 December 2025, the Swedish Authority for Privacy Protection (IMY) (Sw. *Integritetsskyddsmyndigheten*) published takeaways from a regulatory sandbox project on the possibility of using personal data to create synthetic data for training AI systems. The regulatory sandbox examined how AI models, which typically require processing of personal data, could instead be trained on synthetic data that resembles original information without being linkable to individuals. Through IMY's regulatory sandbox, a dialogue-based method offering guidance to private and public organisations with innovation projects, several questions related to synthesisation were explored. Notably, IMY emphasised that the creation of synthetic data itself involves processing of personal data and, with particularly sensitive data, demand special considerations and measures.

- On 19 November 2025, the European Commission published its Digital Omnibus package, which includes proposed amendments to Regulation (EU) 2024/1689 (the AI Act) (Sw. *AI-förordningen*). The Commission proposes delaying the timeline for applying rules to high-risk AI systems, with a backstop date of December 2027. The amendments extend certain simplifications granted to small and medium-sized enterprises as well as to small mid-cap companies, including simplified technical documentation requirements. The package also broadens compliance measures to enable more innovators to use regulatory sandboxes and reinforces the AI Office's powers with centralised oversight of AI systems built on general-purpose AI models.

- On 5 November 2025, the European AI Office launched the development of a Code of Practice on transparent AI systems. The code aims to support compliance with transparency obligations for providers and deployers of generative AI systems by addressing risks of deception and manipulation posed by deepfakes and synthetic content. Two working groups will draft the Code of Practice through a seven-month multi-stakeholder process. The first working group will focus on providers' obligations to ensure that outputs are marked in machine-readable formats and detectable as artificially generated, while the second will address deployers' obligations to disclose deepfakes and AI-generated text on matters of public interest. The code will serve as a voluntary compliance tool once the Commission approves it, with transparency obligations becoming applicable in August 2026.

PRIVACY

- On 18 December 2025, the EU Court of Justice rendered its judgment in case C-422/24 Storstockholms Lokaltrafik. The case originated from a decision by the Swedish Authority for Privacy Protection (IMY) (Sw. *Integritetsskyddsmyndigheten*) regarding the use of body-worn cameras by ticket inspectors in Stockholm's public transportation. IMY found that adequate information about personal data processing under Article 13 of Regulation (EU) 2016/679 (the GDPR) (Sw. *dataskyddsförordningen*) had not been provided. The Court of Justice has now confirmed IMY's interpretation that Article 13 applies to camera surveillance, establishing that information must be provided immediately when surveillance occurs and that exceptions to the information obligation are very limited. The case will now return to the Swedish Supreme Administrative Court (Sw. *Högsta förvaltningsdomstolen*). The case is the first heard by the Court of Justice concerning IMY's enforcement decisions.

- On 4 December 2025, the European Data Protection Board (EDPB) adopted recommendations on the legal basis for requiring the creation of user accounts on e-commerce websites. The EDPB recommends that e-commerce platforms offer

either "guest mode" for purchases without an account or the option to create one voluntarily, thereby minimising personal data collection. Mandatory account creation can be justified in limited circumstances, such as offering subscription services or providing access to exclusive offers. The recommendations aim to promote pragmatic, user-friendly, and privacy-protective practices in the e-commerce sector. The recommendations also address concerns about the collection and processing of personal data and the associated privacy and security risks that arise when users are required to create accounts. The recommendations are subject to public consultation until 12 February 2026.

- On 19 November 2025, the European Commission published its Digital Omnibus package including proposed amendments to Regulation (EU) 2016/679 (the GDPR) (Sw. *dataskyddsförordningen*). Key proposed changes include a revised view on pseudonymised personal data (reflecting the EU Court of Justice's assessment in case C-413/23 P), permitting AI system providers and deployers to process residual special categories of personal data subject to strict safeguards, and explicit recognition that AI development may be pursued under legitimate interests subject to full GDPR safeguards. The concept of "scientific research" is expanded to include innovation and technological development that may further commercial interests provided that ethical standards are met. The proposal modernises cookie rules to address "consent fatigue" by permitting data storage or access without consent in certain limited circumstances and foresees automated and machine-readable consent signals for universal settings-based preference mechanisms. This may enable consistent consent expression across websites and applications.

Employment & Incentives

- On 12 November 2025, the Swedish Labour Court (Sw. *Arbetsdomstolen*) ruled in case AD 2025 nr 88 concerning the duty to consult in accordance with Section 11 of the Swedish Co-Determination in the Workplace Act (1976:580) (Sw. *lagen om medbestämmande i arbetslivet*). The case concerned whether a subsidiary could be held liable for damages for breach of the duty to consult when its parent company sold shares. A trade union claimed that the subsidiary was obliged to consult with the trade union on three occasions: (i) when the parent company sold shares in the subsidiary, (ii) when the subsidiary sold its shares in another subsidiary, and (iii) when the subsidiary entered into a supplier agreement with another subsidiary. The Labour Court dismissed claims (ii) and (iii) on procedural grounds, as they had not been subject to dispute consultations under the procedure applicable between the parties. Regarding the main issue of the share sale, the court held that even if a change of ownership may significantly affect employees, the decision was made by the parent company rather than the subsidiary, and the subsidiary had not acted to implement the parent company's decision in a way that would constitute a significant change to its own operations. Consequently, no duty to consult on the sale of shares in the subsidiary had arisen.

- On 24 September 2025, the Labour Court ruled in case AD 2025 nr 68. The case was brought by a designer who created a famous glass lantern while employed at a glass works in the 1970s. The business was, through several transfers, ultimately transferred to the defendant. Despite the transfers, the court found that the defendant could not be considered the designer's former employer, as it had not been shown that the employment had been transferred. Before Sweden's EU accession in the mid-1990s, there was no general regulation governing how business transfers affected employment relationships. Instead, general contractual law principles applied which meant that employers could not transfer employment contract obligations without employee-consent and employees did not have the right to be automatically transferred to the acquirer of the business. The court dismissed the case since it had neither been alleged nor shown that the employment contract obligations towards the designer had been transferred to the defendant by agreement. It was accordingly not a labour dispute. The case highlights how labour rights legislation has changed, as an employee under current Swedish legislation has the right to automatically transfer to the company that acquires the business in which the employee is employed.

- On 25 June 2025, the Labour Court ruled in case AD 2025 nr 47 concerning the Swedish Whistleblower Protection Act (2021:890) (Sw. *visselblåsarlagen*). An employee had repeatedly reported safety concerns and argued that the reporting should be categorised as whistleblowing warranting protection under the Whistleblower Protection Act. Whistleblower protection requires reporting of misconduct (Sw. *missförhållanden*) of public interest. The Labour Court held that "reporting due to a conflict between the reporting individual and another employee at the workplace is usually not of public interest". Despite certain evidence of safety concerns, the majority of the court found that the reports stemmed from workplace conflicts rather than misconduct of public interest. The case is the first application of the Whistleblower Protection Act by the Labour Court. However, given that the public interest criterion is difficult to assess, it is unlikely to be the last.

Environmental, Social & Governance

- On 23 December 2025, Regulation (EU) 2025/2650 was published, amending Regulation (EU) 2023/1115 (the Deforestation Regulation) (Sw. *avskogningsförordningen*) in order to postpone its application. The Deforestation Regulation will apply from 30 December 2026 for medium and large operators and traders, and from 30 June 2027 for micro and small operators. The amendments also simplify due diligence requirements by making only businesses that first place relevant products on the EU market responsible for submitting due diligence statements. Certain printed products such as books, newspapers and printed pictures are excluded from scope. The Deforestation Regulation, adopted in 2023, aims to combat climate change and biodiversity loss by preventing deforestation linked to EU consumption of commodities including cocoa, coffee, palm oil, soya, wood, rubber, and cattle products.

- On 10 December 2025, the European Commission published the Environmental Omnibus aiming to simplify environmental legislation covering industrial emissions, circular economy, environmental assessments and geospatial data. The simplifications entail that project developers will benefit from streamlined procedures, including single points of contact, digitalisation and faster timelines. The proposal temporarily suspends the requirement for EU-based companies to appoint authorised representatives in each Member State where they sell products but are not established, pending further streamlining of Extended Producer Responsibility schemes under the upcoming Circular Economy Act. The proposal will now be submitted to the European Parliament and the Council for adoption.

- On 9 December 2025, the Council and European Parliament reached a provisional agreement to simplify EU sustainability reporting and due diligence rules by narrowing the scope of Directive (EU) 2022/2464 (the Corporate Sustainability Reporting Directive, CSRD) and Directive 2024/1760 (the Corporate Sustainability Due Diligence Directive, CS3D). For CSRD, the scope covers companies with at least 1,000 employees and EUR 450 million net turnover, with financial holding undertakings exempted and companies that had to start reporting from the 2024 financial year no longer falling within scope for 2025 and 2026. For CS3D, the applicability thresholds increase to 5,000 employees and EUR 1.5 billion net turnover, the requirement for climate transition plans is removed, and the transposition deadline is extended to 26 July 2028, with compliance required by July 2029.

EU, Competition & FDI

COMPETITION

- On 22 December 2025, the Swedish Competition Authority (Sw. *Konkurrensverket*) approved Telia's acquisition of sole control over Bredband2, both companies being providers of fixed fibre broadband services to private individuals, housing associations, companies and public sector actors. The concentration saw the largest player in the fibre broadband market (Telia) acquire the third-largest by volume or fifth-largest by value (Bredband2). Following a Phase II investigation, the Competition Authority found insufficient evidence that the acquisition would significantly impede effective competition. The investigation showed that Telia will continue to face competition from larger national players, smaller nationally active competitors, and several local service providers. The investigation also showed that other players besides Bredband2 maintain a low-price profile and found no significant barriers to market entry.

- On 4 December 2025, the European Commission opened an investigation into whether Meta's new policy breaches EU competition rules by excluding third-party AI providers from offering services through WhatsApp. The policy restricts AI providers' access to WhatsApp Business Solution while maintaining access for Meta's own AI service. On 9 December 2025, the Commission opened an investigation into Google for possible anticompetitive conduct in using web publishers' content for generative AI-powered search results and YouTube content to train its AI models without adequate compensation or allowing creators to refuse such use. The investigation will examine whether Google distorts competition through unfair terms or privileged self-access to content, disadvantaging rival AI developers. The investigations demonstrate a focus by the Commission on AI-related competition issues.

- On 1 December 2025, the Competition Authority published an in-depth mapping of pricing and discount conditions in Sweden's installation industry (electrical, plumbing, and HVAC solutions) in report 2025:6 (in Sw. *Pristransparens* på byggmaterial). The report shows that retroactive rebates are common, significant in value, and reduce price transparency. Retroactive rebates pose particular problems for cost-plus construction contracts, where remuneration is based on reported actual costs, commonly used by public bodies. Based on installation sector data, the Competition Authority assesses that the cost-plus model creates a significant risk that purchasers pay higher prices for construction materials than they would

if substantial material costs were not hidden in retroactive rebates. The Authority further assesses that this lack of price transparency risks distorting competition by favouring larger contractors over smaller ones.

FDI & NATIONAL SECURITY

- On 11 December 2025, the European Parliament and the Council reached a provisional political agreement on revising Regulation (EU) 2019/452 (the Foreign Direct Investment Screening Regulation). The revised framework aims to make investment screening more robust, consistent and strategic. Key improvements include: (i) mandatory screening mechanisms in all Member States, supported by harmonised national rules to ensure consistent EU-wide screening, (ii) a minimum mandatory screening scope covering foreign investments in core sensitive and strategic areas, and (iii) common minimum harmonisation of key procedural elements to facilitate investments by companies operating in multiple Member States. The minimum screening scope includes dual-use items and military equipment, semiconductors and artificial intelligence technology, critical entities in energy, transport and digital infrastructure, and certain financial system entities. The revised framework is expected to enter into force in the first half of 2026 and apply 18 months thereafter.

- On 10 December 2025, the Swedish Financial Supervisory Authority (FI) (Sw. *Finansinspektionen*) published a legal position (2025:1) on internal control over security protection managers (Sw. *säkerhetsskyddschef*) for financial institutions conducting security-sensitive activities under the Swedish Protective Security Act (2018:585) (Sw. *säkerhetskyddslagen*). The security protection manager under Chapter 2, Section 7 of the act is considered part of an operator's operational activities (first line of defence). Consequently, internal control requirements for operational activities also apply to the security protection manager. For example, for credit institutions covered by the Protective Security Act, this means the security protection manager and its work shall be monitored, controlled and reviewed by the institution's risk control, compliance, and internal audit functions (second and third lines of defence).

- On 14 November 2025, the European Commission conditionally approved an Emirati oil company's acquisition of Covestro AG under Regulation (EU) 2022/2560 (the Foreign Subsidies Regulation, FSR). The Commission's investigation found that the Emirati company and Covestro received foreign subsidies from the United Arab Emirates, including an unlimited state guarantee and certain advantageous tax measures. Such subsidies could distort the EU internal market and negatively affect competition in the acquisition process. Approval was granted subject to commitments requiring the Emirati company to amend its articles of association to align with ordinary insolvency law (thereby removing the unlimited state guarantee) and to share Covestro's sustainability-related patents with certain market participants.

Family Offices & Foundations

- On 19 March 2025, the European Commission unveiled its strategy for the Savings and Investments Union (SIU), aiming to bolster the EU's financial ecosystem by channelling savings more efficiently into productive investments. A significant component of this strategy involves a forthcoming review and enhancement of the European Venture Capital Funds Regulation (Regulation [EU] No 345/2013) (the EuVECA) (Sw. *förordningen om riskkapitalfonder*), scheduled for Q3 2026. The proposed review seeks to broaden the scope of investable assets and strategies permissible under the EuVECA framework. This initiative is designed to foster a more dynamic venture capital market, thereby supporting innovative startups and scale-ups across key sectors such as AI, biotechnology, and clean technology. By expanding the range of eligible investments, the Commission aims to enhance the attractiveness of the EuVECA label for fund managers and investors alike. This move is anticipated to facilitate greater capital flow into high-growth potential enterprises, contributing to the EU's broader objectives of innovation, competitiveness, and economic resilience. The broadening may also offer family offices more alternatives, given that the EuVECA is tailored to semi-professional investors.

- On 10 March 2025, the Swedish Supreme Administrative Court (Sw. *Högsta förvaltningsdomstolen*) delivered a ruling in case no. 463-24 (HFD 2025 ref. 9). The case concerned a foundation that almost 20 years earlier had been granted permission by the Swedish Legal, Financial and Administrative Services Agency (Sw. *Kammarkollegiet*) to amend a provision in its deed. Much later, it was discovered that the amendment had resulted in an expansion of the group of beneficiaries that the foundation did not intend. The foundation then requested that the agency amend its previous decision on the basis of Section 37, first paragraph, of the Swedish Administrative Procedure Act (2017:900) (Sw. *förvaltningslagen*) as being incorrect, a request that was denied. The Supreme Administrative Court upheld the agency's decision and stated that an amendment to a provision in the foundation deed regarding the foundation's purpose can only be made if the conditions in Chapter 6, Section 1, of the Swedish Foundation Act (1994:1220) (Sw. *stiftelselagen*) are met.

- On 1 January 2025, certain amendments to the Foundation Act came into force. An important

amendment was the introduction of a new ground for conflict of interests for representatives (Sw. *ställföreträdarjäv*). This means that, as a general rule, a board member or a trustee may not handle a matter concerning an agreement between the foundation and a legal entity that the board member or trustee may represent alone or together with someone else. Exceptions apply, for example, in intra-group relationships. In addition, other new rules were introduced, including an obligation for the auditor to make a police report in the event of suspicion of certain criminality. The news also includes fees for late submissions of annual reports and audit reports and a ban on board members who do not intend to take part in the board's activities.

Financial Services

FINTECH & PAYMENTS

- On 27 November 2025, the European Parliament published a press release informing that the Parliament and Council negotiators have agreed on a new Payment Services Regulation and a third Payment Services Directive. This updated regulatory framework will, among other things, enhance harmonisation of payment services throughout the EU, enhance consumer protection in relation to payment fraud, impose obligations on otherwise unregulated technical service providers (who are not themselves licenced as payment institutions), and require that payment service users be granted access to human customer support (not only chatbots). The agreed text must be formally adopted by Parliament and Council. This is expected to occur during Q1 2026, after which there will be an 18-month period before the adopted texts begin to apply.

- On 14 October 2025, the European Banking Authority (EBA) published a report on white-labelling, primarily relating to banking services. The report identifies white-labelling as a widespread business model used by 35 % of the banks responding to the EBA's request for advice. The EBA notes that white-labelling can benefit financial institutions, partners and consumers by providing a wider range of financial services at lower cost, while also fostering financial inclusion. White-labelling can also result in risks such as a lack of transparency towards consumers as to precisely with whom they are contracting, as well as challenges for supervisory authorities to effectively monitor the white-label activities.

- On 9 October 2025, the EBA published a report on tackling money laundering and terrorist financing risks in crypto-asset services. The report summarises lessons learned from actions taken by competent authorities and the EBA and also describes strategies used by some crypto-asset service providers and issuers to sidestep national Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) supervision. Examples of the latter include forum shopping across Member States and improper use of reverse solicitation exemptions. The report also notes observed weaknesses in AML/CFT frameworks of crypto-asset service providers, including over-reliance on inadequate group-wide outsourcing arrangements, weak sanctions screening, and insufficient resourcing of AML/CFT compliance officer roles.

GENERAL

- On 18 December 2025, the Swedish government submitted a legislative proposal to the Swedish Legislative Council (Sw. *Lagrådet*) for comments. The proposal seeks to amend existing rules on mortgage caps and amortisation requirements on consumer mortgages, with a proposed effective date of 1 April 2026. The proposal includes an increase of the mortgage cap to 90 % (from the current 85 %) for new mortgages, while also lowering the cap to 8 0% in the case of loans taken out to extend an existing mortgage. The proposal also seeks to ease the current amortisation rules in cases where the borrower's mortgage exceeds 4.5 times their gross annual income, by removing the increased amortisation requirement that currently applies in such cases.

- On 12 December 2025, the European Securities and Markets Authority (ESMA) published twelve high-level principles to guide supervised entities regarding supervisory expectations for the management body. The principles reflect ESMA's comprehensive report on supervisory expectations for the management body of supervised financial entities published in October 2025. Among other things, the twelve principles emphasise the importance of accountability, effective oversight and challenge, reporting, control function access, appropriate composition and ongoing training. While addressed to entities under direct ESMA supervision (such as credit reference agencies and benchmark administrators), the principles are likely reflective of good practice for other regulated financial entities subject to national supervision.

- On 4 December 2025, the European Commission adopted a comprehensive package of measures to improve the EU single market for financial services. The package comprises three legislative proposals amending existing EU financial legislation within asset management, investment services and clearing and settlement. Key changes include harmonising rules for trading venues and eliminating divergent national requirements, with larger cross-border operators to benefit from single EU supervision. Furthermore, the proposal introduces a new optional Pan-European Market Operator status, allowing groups with trading venues in multiple Member States to operate under a single licence. The proposal also facilitates

technical innovation by expanding the scope of Regulation (EU) 2022/858 on Distributed Ledger Technology (DLT) Market Infrastructures. The scope encompasses all financial instruments, regardless of type, with the total value of financial instruments that a DLT market infrastructure can intermediate raised from €6 billion to €100 billion. These reforms aim to improve access to investment opportunities across the EU, foster competition, and strengthen access a broader pool of investors.

REGULATORY CAPITAL

- On 18 December 2025, the Swedish Government referred a legislative proposal to the Council on Legislation (Sw. *lagrådet*) regarding the development of the macroprudential area (Sw. *utveckling av makrotillsynsområdet*). Among other things, it is proposed to appoint the Swedish Central Bank (Sw. *Riksbanken*) as the designated authority to determine countercyclical buffer values, a responsibility currently held by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*). The final proposal is expected to be published on 5 February 2026, and the amendments are proposed to enter into force on 1 April 2026. The countercyclical buffer is currently set at two per cent.

- On 18 November 2025, the European Commission launched a call for evidence regarding its proposed approach to the market risk prudential framework under the Fundamental Review of the Trading Book (FRTB). The call for evidence accompanies a targeted consultation on the implementation of market risk requirements, which have been postponed twice, with current application scheduled for 1 January 2027. The Commission is evaluating the adoption of a delegated act that would introduce targeted amendments and multipliers to the FRTB framework. These amendments aim to mitigate adverse capital effects for EU-based credit institutions while maintaining a level playing field until other countries adopt the standards. The FRTB is a more conservative framework than the current one, and its full implementation would increase a credit institution's own funds requirements for market risk. The call for evidence closed on 18 December 2025, with the targeted consultation remaining open until 6 January 2026.

- On 11 November 2025, the European Central Bank (ECB) published its opinion on proposed amendments to the EU securitisation framework, including reforms to the Securitisation Regulation (Regulation [EU] 2017/2402), the Capital Requirements Regulation (Regulation [EU] No 575/2013) (CRR), and the Liquidity Coverage Ratio (LCR) Delegated Regulation (Commission Delegated Regulation [EU] 2015/61). The ECB welcomed the proposed regulations as steps towards improving the functioning of the EU securitisation framework and supporting the savings and investments union agenda. However, the ECB expressed concerns about certain aspects of the proposals, including the potential financial stability risks associated with large-scale synthetic securitisations and the complexity of proposed recalibrations to existing requirements. The ECB recommended maintaining preferential treatment for simple, transparent and standardised (STS) securitisations while limiting reduced risk weight floors to resilient transactions and originating banks only. The opinion also addressed amendments to significant risk transfer criteria, noting support for the principle-based approach while emphasising the need for supervisory flexibility in assessing complex transactions.

Intellectual Property & Marketing

INTELLECTUAL PROPERTY RIGHTS

- On 4 December 2025, the Court of Justice of the EU delivered its highly anticipated ruling in the joined cases C- 580/23 and C- 795/23 Mio/Konektra on copyright protection for works of applied art (Sw. *brukskonst*). One of the cases (Mio) was referred by the Swedish Patent and Market Court of Appeal (Sw. *Patent- och marknadsöverdomstolen*) and concerns infringement of the design of a table. The Court of Justice ruled on three main copyright issues. First, the court reiterated the fundamental concepts of originality and confirmed that it is the sole criterion for protection – even for objects of applied art. Secondly, on proving copyright subsistence, the court held that originality cannot be presumed and depends on demonstrating "free and creative choices reflecting the personality of the author". The author's subjective intentions are irrelevant – only what is expressed in the work matters. Thirdly, regarding infringement assessment, the court emphasised a "recognisability" safeguard, requiring that copied original choices be recognisable in the allegedly infringing work. Although this approach is somewhat clarifying, it is unclear according to whom such recognisability shouldbe assessed.

- On 12 November 2025, the General Court of the EU ruled in case T-252/24 *LG Electronics, Inc. v EUIPO* concerning a declaration of invalidity of a registered EU figurative trademark. Invalidity was sought by the applicant due to lack of distinctiveness of the trademark, particularly due to the descriptive word element "washtower" dominating the mark. On appeal, the General Court found the whole trademark to be descriptive and lacking distinctiveness. The court found that the figurative element of the contested trademark was "not capable of distracting the relevant public from the descriptive message conveyed by the word element". The outcome – contrary to the assessments by EUIPO's Cancellation Division and Board of Appeal – is of interest for the already

extensive case-law concerning descriptive trademarks. The judgment is particularly helpful for assessing how it is possible to stylise a descriptive word element in order to ensure distinctiveness of a trademark.

- On 2 October 2025, the Swedish Patent and Market Court of Appeal (Sw. *Patent- och marknadsöverdomstolen*) delivered its decision in cases nos. PMÄ 4987-25 and PMÄ 4988-25. Through its decision, the court partially overturned a decision by the Swedish Intellectual Property Office (Sw. *Patent- och registreringsverket, PRV*) to reject two trademark applications due to lack of distinctiveness, which was upheld by the lower court. The decision concerns two trademark applications filed by a widely-renowned Swedish gambling provider. The trademarks were ultimately found to possess inherent distinctiveness for three classes and to have acquired distinctiveness for betting activities. Notably, the Patent and Market Court of Appeal referred to its conclusions on the reputation of the marks based on evidence in an earlier infringement case brought by the applicant. Such references to earlier assessments of evidence presented in separate cases are rare in Swedish trademark case-law.

MARKETING & CONSUMER PROTECTION

- On 3 December 2025, the Swedish Consumer Ombudsman (Sw. *Konsumentombudsmannen*) initiated a group action against the Swedish subsidiary of a Norwegian bank. The action follows a supervisory action and subsequent judgment rendered by the Swedish Patent and Market Court (Sw. *Patent- och marknadsdomstolen*) in May 2025 (case no. PMT 7494-24). The Patent and Market Court determined that leasing terms applied by the subsidiary were unfair. As a result of the judgment, the Consumer Ombudsman filed a group action with the Swedish National Board for Consumer Disputes (Sw. *Allmänna reklamationsnämnden*, ARN). According to a press release, the action concerns approximately 50,000 consumers and the authority is seeking repayment of leasing fees that were increased in accordance with the (unfair) leasing terms. Potentially, the total repayment claims amount to billions of SEK. From what is generally known, this is the second time in the authority's history that a group action has been filed, making the move highly significant. Such an enforcement trend can significantly increase the risks of non-compliance with consumer protection laws.

- On 14 November 2025, the Swedish Consumer Ombudsman (Sw. *Konsumentombudsmannen*) filed a lawsuit against an insurance company relating to the company's home insurance policies. The Consumer Ombudsman seeks a prohibition against two specific contract terms that exclude insurance cover for vacation home damage due to neglected maintenance and additional costs arising from lack of maintenance. The Consumer Ombudsman finds the terms to be unfair. The case originates from a thematic supervisory action carried out by the Swedish Consumer Agency (Sw. *Konsumentverket*) in the spring of 2024 concerning contract terms for holiday home insurance. The case is another example of the authority's clear focus on unfair contract terms (Sw. *oskäliga avtalsvillkor*) throughout 2025.

- On 27 October 2025, the Swedish Consumer Agency (Sw. *Konsumentverket*) concluded an industry sweep concerning terms relating to unauthorised debit and credit card transactions. The authority assessed eight companies and found several terms that infringe consumer protection law. It found that multiple companies impose requirements that are far-reaching in light of applicable law in a manner that is disproportionate and unreasonable. The authority also found that some companies' terms could require consumers to pay multiple excess amounts for unauthorised transactions, along with terms allowing companies to unilaterally debit consumers' accounts after issuing refunds if they subsequently determine a transaction was authorised. Due to its findings, the Consumer Agency announced targeted supervisory actions against the companies where possible violations have been identified. Notably, this supervisory action is one of several throughout the year concerning unfair contract terms (Sw. *oskäliga avtalsvillkor*) pertaining to the financial sector.

Real Estate & Environment

- On 4 December 2025, the Swedish government sent a proposal to Swedish Legislative Council (Sw. *Lagrådet*) on the extension of the Swedish Protective Security Act's (2018:585) (Sw. *säkerhetskyddslagen*) transfer provisions to cover real estate. Anyone conducting security-sensitive activities (Sw. *säkerhetskänslig verksamhet*) who wishes to transfer real property, significant to national security, must conduct a security assessment and suitability test and consult the supervisory authority before the transfer. The supervisory authority may also prohibit transfers considered unsuitable. The rules will cover transfers of ownership through property formation (Sw. *fastighetsbildning*), requiring the same security assessment, suitability test, and consultation procedures. The aim is to reduce the risk of real property being acquired to harm national security. A transfer of real property under the Swedish Land Code (1970:994) (Sw. *jordabalken*) will be void if it violates a prohibition, whereas a property formation decision will remain valid even if it violates

a prohibition. The legislative amendments are proposed to enter into force on 1 July 2026.

- On 23 October 2025, the legislative proposal arising from inquiry SOU 2022:39 (Sw. "*Ett register för alla bostadsrätter*") was submitted to the Swedish Council on Legislation (Sw. *Lagrådet*). The proposal aims to establish a national register for all tenant owner apartments (Sw. *bostadsrätter*). The Swedish mapping, cadastral and land registration authority (Sw. *Lantmäteriet*) will serve as the responsible authority. Registration will replace notification to housing associations as the decisive property law moment (Sw. *sakrättsligt moment*) for both pledges and transfers. The provisions enabling the creation of the register are proposed to enter into force on 1 January 2027. According to the proposal, housing associations will be required to register grants and transfers within two weeks. Pledges are to be registered by the pledgee, and the timing of registration determines priority. Pre-existing pledges notified to the authority will be recorded as "noted pledge" (Sw. *noterad pant*) and retain their priority, but will lose third-party protection if not submitted to the authority within three months from the substantive provisions entering into force.

- On 7 October 2025, the Swedish government published memorandum KN2025/01878 proposing that a new Environmental Assessment Authority (Sw. *Miljöprövningsmyndigheten*) will be established to take over the tasks currently handled by the Swedish county administrative boards (Sw. *länsstyrelserna*), with proposed entry into force on 1 July 2027. The government may prescribe that applications for permits for certain types of environmentally hazardous activities shall be examined by the new Environmental Assessment Authority. As a consequence of the proposal, the Swedish Regulation on Environmental Assessment Delegations (2011:1237) (Sw. *förordningen om miljöprövningsdelegationer*) may be repealed.

In-Depth

An open question since 1974 – a proposed framework for Swedish "SICAVs"

The acronym SICAV (derived from the French "*société d'investissement à capital variable*") is universally recognised in the fund industry as a collective investment scheme made popular in jurisdictions such as Luxembourg. SICAVs provide a high degree of flexibility in terms of structuring, contributing to their significant impact in the European fund market.

From a Swedish perspective, variable share capital in a corporate fund structure was deemed alien to the principles of national company law when it was first considered in 1974. The required comprehensive amendments to Swedish company law were essentially out of the question. This argument was repeated by the government in 2002. Then, in 2014, a first step was taken to introduce a new investment fund vehicle with variable capital. The proposal was heavily criticised and ultimately shelved.

Finally, in December 2025 – after more than 50 years – a comprehensive inquiry has now been published (SOU 2025:117, with the Sw. title "*Fondandelsbolag – för en mer konkurrenskraftig fondmarknad*"). The inquiry proposes an entirely new Swedish OEIC Act, which is proposed to enter into force on 1 July 2027.

The proposal includes the introduction of a new legal entity known as an open-ended investment company (an "OEIC", Sw. *fondandelsbolag*). An OEIC will have variable share capital and increased flexibility around share classes and governance. This flexibility includes the differentiation of voting rights with no statutory limits, allowing the fund manager to retain control even when its shareholding is diluted.

An OEIC may be used for UCITS (Sw. *värdepappersfonder*) or AIFs (Sw. *alternativa investeringsfonder*). For UCITS, it will be possible to establish umbrella structures with sub-funds. The OEIC will be subject to the same income tax rules as existing Swedish UCITS, with investors taxed as unit holders in traditional Swedish UCITS. For AIFs, the OEIC will in principle be taxed as a Swedish limited liability company, with investors taxed as shareholders in such a company.

The inquiry's legislative proposal is now subject to consultation until 17 April 2026, with a final government proposal expected in late 2026.

Key items to monitor in the consultation process include further clarification of the interaction between the OEIC regime and general Swedish company and insolvency law, in particular with respect to investor protection and asset segregation. Another area requiring clarification concerns the possibility of establishing master-feeder structures for AIFs. Concerning AIFs, also of major interest are the introduction of umbrella structures and tax aspects relating to tax relief and appropriate tax treatment for debt funds.

If enacted, the Swedish OEIC Act would mark a significant milestone in Swedish fund regulation, potentially enhancing Sweden's competitiveness as a fund domicile within the EU.

Niclas Rockborn and Arijan Kan

Gernandt & Danielsson is one of the leading business law firms in Sweden. The firm's specialist team covers all specialist practice areas of the firm including AI, competition, data protection, employment, EU, environment, FDI, financial services, intellectual property and marketing, IT and technology, public procurement, and real estate. The team is led by Niclas Rockborn.

G&D