

G&D Monthly Digest

February 2025

This news overview is compiled by Gernandt & Danielsson's specialist team and is updated month by month. In this edition, new sections with news concerning artificial intelligence, competition, employment, foreign direct investments and sustainability have been added.

ARTIFICIAL INTELLIGENCE

- On 11 February 2025, the European Commission adopted its 2025 work program. It was therein communicated that the Commission decided to abandon the proposed AI Liability Directive (Sw. *direktivet om skadeståndsansvar gällande AI*). The Commission saw no foreseeable agreement on the proposal which intended to establish uniform rules for certain aspects of evidence and non-contractual civil liability for damages caused with the involvement of AI systems.
- On 4 February 2025, the European Commission announced its Guidelines on prohibited artificial intelligence (AI) practices. Article 5 of Regulation (EU) 2024/1689 (the AI Act) (Sw. *AI-förordningen* or *AI-akten*) lists certain prohibited AI practices (Sw. *förbjudna AI-användningsområden*). The guidelines state the Commission's interpretation of the scope of prohibited AI practices and will serve as practical guidance in future enforcement of the AI Act.
- On 1 January 2025, the 11th edition of the advertising code of the International Chamber of Commerce (ICC) entered into force in Sweden. The newly revised ICC Code (Sw. *Regler för reklam och marknadskommunikation* or *Marknadsföringskoden*) clarifies that advertisers' responsibilities do not change with the use of AI. Marketing communication, either prepared or delivered, using AI must accordingly meet the same standards as all marketing communication.

COMPETITION LAW

- On 24 February 2025, the Swedish Competition Authority (Sw. *Konkurrensverket*) proposed amendments to the merger rules in the Swedish Competition Act (2008:578) (Sw. *konkurrenslagen*) in an official letter (*Hemställan om ändringar i konkurrenslagens (2008:579) bestämmelser om företagskoncentrationer*) to the Swedish

government. The authority finds that the current merger rules entail that concentrations potentially harming competition in small or local markets, which do not constitute a significant part of the country, cannot be prohibited. That is regardless of the seriousness of the harm and the importance of the goods or services affected for consumers and the national economy. In order to protect competition and consumers in Sweden, the authority proposes, *inter alia*, that the merger rules should be adapted to further take competition problems that arise in small and local markets into consideration.

- On 31 January 2025, the Swedish Competition Authority (Sw. *Konkurrensverket*) published its action plan for 2025-2027 (Sw. *Verksamhetsplan för Konkurrensverket 2025–2027, dnr. 92/2025*). The plan sets out areas that the authority will pay particular attention to. As for all EU competition authorities, the Swedish authority will focus on the importance of competition for productivity development, innovation, and resilience in the economy – especially against the backdrop of increased digitalisation, green transition, various crises, and geopolitical changes. In addition to this overall focus, the Swedish authority will pay particular attention to food industry, financial markets, pharmaceuticals, criminality in public procurement, construction materials, and simplification measures for businesses.
- During January 2025, the European Commission approved, under the Merger Regulation (Regulation [EC] No 139/2004) (Sw. *koncentrationsförordningen*), three proposed acquisitions subject to remedies. The Commission found that each of the transactions would have resulted in high combined markets shares as well as high concentration levels on the relevant markets. To address the Commission's competition concerns, the parties offered to divest part of their

respective businesses to a suitable purchaser or purchasers.

pre-contractual information and transfer-specific information to clients.

EMPLOYMENT

- On 14 January 2025, the Advocate General (AG) presented its opinion in case C-19/23 before the Court of Justice of the European Union (Sw. *EU-domstolen*). The case concerns the Directive (EU) 2022/2041 on adequate minimum wages (Sw. *minimilönedirektivet*). Said directive should have been transposed by 15 November 2024. However, Denmark and Sweden have objected to the directive on the basis that the EU does not have the authority to adopt legislation regulating wages. The AG assessed that the directive, in its entirety, should be declared invalid. Depending on the final outcome of the proceedings, the consequences for Swedish employment law could be significant.
- On 1 January 2025, new delegated regulations of the Swedish Work Environment Authority (Sw. *Arbetsmiljöverket*) entered into effect. The new set of rules is divided into 15 different delegated regulations (Sw. *Arbetsmiljöverkets författningssamling*). The overall purpose of the new set is to renew the previous regulations without entailing any material changes to the obligations stipulated therein.
- On 1 October 2024, the new provisions under the Swedish Agency Work Act (2012:854) (Sw. *lagen om uthyrning av arbetstagare*) gained practical effect. Employers must either offer permanent employment or two months' salary to agency workers who have been hired by the employer at the same operational unit for an aggregate of 24 months during the last 36-month period. There is already one case pending before the Swedish Labour Court (Sw. *Arbetsdomstolen*) concerning the provisions. The court will decide whether an employer is permitted to offer a permanent employment (rather than two months' salaries) in situations where the employer is aware of a significant risk of redundancy (resulting in the newly employed agency worker ultimately being terminated).

FINANCIAL SERVICES

- On 26 February 2025, the European Securities and Markets Authority (ESMA) published two sets of guidelines under the Regulation (EU) 2023/1114 on markets in crypto-assets (MiCA) (Sw. *EU:s förordning om marknader för kryptotillgångar*). The first set of guidelines relate to reverse solicitation and comments on situations in which a third-country firm is deemed to solicit clients, established or situated, in the EU and the supervision practices to detect and prevent circumvention of the reverse solicitation exemption. The second set of guidelines clarify certain requirements for crypto-asset service providers providing transfer services for crypto-assets on behalf of clients, for instance

- On 7 February 2025, the European Banking Authority (EBA) published a Q&A clarifying the conditions for direct contributions to reserves from shareholders to be recognised as Common Equity Tier 1 capital for capital adequacy purposes. The criteria specified by the EBA include (non-exhaustively) that shareholder contributions should be non-refundable, should not confer any direct or economic benefits (e.g. dividends) to the contributor, and should generally be made by all shareholders on a *pro rata* basis. The Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) published a reference to the EBA's Q&A on the very same day, adding the comment that firms' compliance with the criteria, stipulated by the EBA, will be followed up and monitored in the ongoing supervision.
- On 4 February 2025, the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) published a proposal for delegated regulations and general guidelines for debt collection and amendments in regulations and general guidelines on the purchase and servicing of non-performing credit agreements. Among the aspects, addressed by the proposed regulations and guidelines, are detailed rules for applications for authorisation for debt collection activities, as well as the requirement to comply with good debt collection practices (Sw. *god inkassosed*).

FOREIGN DIRECT INVESTMENTS

- On 10 January 2025, Ramsbury Invest became the first entity to be sanctioned under the Swedish FDI Act (2023:560) (Sw. *lagen om granskning av utländska direktinvesteringar*). The basis for the sanction was that Ramsbury Invest failed to notify the Inspectorate of Strategic Products (ISP) (Sw. *Inspektionen för strategiska produkter*) about its investment in a Swedish defence technology group in December 2023. The sanction imposed on Ramsbury Invest amounted to SEK 200 000. Sanctions under the Swedish FDI Act may amount to between SEK 25 000 and SEK 100 000 000. The company has publicly stated its intention to appeal ISP's decision.
- On 7 January 2025, Shanghai Putailai (PTL), a Chinese provider of battery materials, announced that it is appealing the Inspectorate of Strategic Products' (ISP) (Sw. *Inspektionen för strategiska produkter*) decision to stop PTL's plans for an anode (battery) plant in Sweden. In its appeal, PTL argued that it is impossible for the company to fulfil the tough requirements laid out by ISP in accordance with the prescribed timeframe. The requirements included that the company could not be the majority shareholder of the target company and that both

the CEO and the chairman of the board must be Swedish citizens. On 6 March 2025, PTL ultimately announced that it is giving up the plans and is withdrawing from the venture in Sweden.

- On 1 December 2024, the Swedish FDI Act (2023:560) (Sw. *lagen om granskning av utländska direktinvesteringar*) had been in force for one year. Statistics from the Inspectorate of Strategic Products (ISP) (Sw. *Inspektionen för strategiska produkter*) shows that the agency has received 1206 notifications in total. Of which, 1 009 cases were left without action while further investigations were initiated in 24 cases. It is also clear from the statistics that the majority of the notified investments relate to target companies carrying out essential activities (Sw. *samhällsviktig verksamhet*).

INTELLECTUAL PROPERTY AND UNFAIR COMPETITION

- On 28 February 2025, the Swedish Supreme Court (Sw. *Högsta domstolen*) rendered a ruling (case no. T 5449-23 “Deckarserien”) concerning the interpretation of copyright agreements under the Copyright Act (1960:729) (Sw. *upphovsrättslagen*). The court held that no specified guiding principles (commonly referred to in Sw. as “*specifikationsprincipen*”) should be applied exclusively when interpreting copyright agreements. Instead, general guiding principles under contract law shall be applied as well.
- On 13 February 2025, the Swedish Patent and Market Court of Appeal (Sw. *Patent- och marknadsöverdomstolen*) issued a rare ruling on the eligibility of obscene and offensive marks for trademark protection (case no. PMÅ 8122-24). Under European trademark law and as transposed in the Trademarks Act (2010:1877) (Sw. *varumärkeslagen*), trademarks conflicting with public policy or accepted principles of morality (Sw. *goda seder eller allmän ordning*) shall not be registered. In the present case, the court held that a surprising combination of word elements may give rise to a humoristic effect that can reduce the overall obscene perception of a word element.
- On 11 February 2025, the Swedish Consumer Agency (Sw. *Konsumentverket*) issued new rules applicable when marketing consumer credits. The rules (KOVFS 2025:1, Sw. *Konsumentverkets föreskrifter om näringsidkares upplysningsskyldighet vid marknadsföring av konsumentkrediter*) apply from 1 March 2025 when the amended Consumer Credit Act (2010:1846) (Sw. *konsumentkreditlagen*) entered into force. Pursuant to the new rules, advertising of most consumer credits must be accompanied by a warning disclosing general risks related to loans.

PRIVACY AND TECHNOLOGY

- On 25 February 2025, the Swedish Supreme Court (Sw. *Högsta domstolen*) delivered two important rulings in cases nos. Å 3457-24 and Å 3169-24 (Sw. “*GDPR och brottmålsdomarna I och II*”). The majority of the court held that Regulation (EU) 2016/679 (GDPR) (Sw. *dataskyddsförordningen*) may impact the confidentiality of personal data relating to criminal judgments even if constitutional protection in the form of freedom of information applies.
- On 21 February 2025, the Swedish Authority for Privacy Protection (Sw. *Integritetsskyddsmyndigheten/IMY*) published its annual report for 2024 (Sw. *Årsredovisning 2024*). During 2024, IMY has focused on investigating complaints from individuals and on providing more guidance including guidance through regulatory sandboxes. In addition, IMY has focused on search services holding a certificate of no legal impediment to publication (Sw. *frivilligt utgivningsbevis*) for the publishing of private and sensitive personal information online. Notably, IMY decided to impose fines in six cases with a total sum slightly exceeding SEK 60.5 million.
- On 17 February 2025, the IMY published an extensive guidance (Sw. title “*Vägledning vid konsekvensbedömning – En praktisk guide*”) on Data Protection Impact Assessments (DPIA) (Sw. *konsekvensbedömningar avseende dataskydd*). The guidance includes a practical guide for conducting a DPIA and an annex with further legal interpretative support.

REAL ESTATE AND ENVIRONMENT

- On 29 January 2025, the Supreme Court (Sw. *Högsta domstolen*) ruled in a commercial lease dispute (case no. T 557-24 Sw. *Skytteholmsbutiken*). The dispute concerns a termination by a landlord in order to pursue other plans for the property. In such cases under Swedish law, commercial tenants are, as a rule, entitled to compensation. While the Land Code (1970:994) (Sw. *jordabalken*) allows for certain compensation exemptions for demolition or reconstruction, the Supreme Court clarified that the general clause for exempted compensation can be invoked by landlords, alongside other grounds, to deny compensation. In such cases, there must essentially be a balancing of interests and the result thereof must differ from the result of other applicable exemption provisions.
- On 25 January 2025, a proposal for amendments to the Plan and Building Act (2010:900) (Sw. *plan och bygglagen*) was referred to the Council on Legislation (Sw. *lagrådet*) by the Swedish government. The government has accordingly decided to proceed with a large portion of the

legislative proposals presented in governmental inquiry SOU 2021:47 (Sw. *Ett nytt regelverk för bygglov*). The changes aim to introduce a new, simpler, more efficient, and more purpose-driven regulatory framework primarily for building permits. The proposal may enter into force on 1 October 2025.

- On 1 January 2025, amendments to the Environmental Code (1998:808) (Sw. *miljöbalken*) regarding environmental permits entered into force. The changes aim to facilitate more modern and efficient environmental assessments. An application for changes in an existing environmental permit will now be limited to an assessment of the relevant changes (Sw. *ändringstillstånd*). Until today, the rule has been that the authorities assess the complete environmental permit again when changes and/or expansions have been applied for. Further, the granted period according to an existing environmental permit will now be extendable up to three years.

to mandatory sustainability reporting requirements, the European Commission proposes a proportionate standard for voluntary sustainability reporting. The proposed changes are now under review by the European Parliament and the Council.

- On 23 January 2025, the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) announced its supervisory priorities for the year. One key focus area will be assessing how financial institutions manage their responsibilities in an increasingly uncertain environment, particularly financial, operational, and climate-related risks. As part of its role in crisis preparedness, the authority will coordinate measures within the financial sector in collaboration with other authorities and financial institutions. Additionally, it will closely monitor climate-related transition risks, particularly uncertainties surrounding asset valuations, which will remain a key area of supervisory attention throughout the year.

SUSTAINABILITY

- On 26 February 2025, the European Commission introduced the Omnibus Simplification Package, proposing amendments to the Corporate Sustainability Due Diligence Directive (Directive [EU] 2024/1760) (CDDD) (Sw. *EU:s direktiv om tillbörlig aktsamhet för företag i fråga om hållbarhet*). The proposal limits due diligence requirements to companies' own operations, subsidiaries, and direct business partners (with a few exceptions), reducing the need for extensive supply chain assessments. Additionally, companies would only need to evaluate their due diligence measures every five years instead of annually. The amendments are now under review by the European Parliament and the Council.
- On 26 February 2025, the European Commission proposed amendments to the Corporate Sustainability Reporting Directive (Directive [EU] 2022/2464) (CSRD) (Sw. *EU:s direktiv om företagens hållbarhetsrapportering*) as part of the Omnibus Simplification Package. The proposal limits the mandatory sustainability reporting requirements to large EU undertakings with more than 1,000 employees. Furthermore, it delays reporting requirements for large companies and listed SMEs by two years. It also reduces mandatory data points and removes plans for sector-specific reporting standards. For undertakings not subject

The Gernandt & Danielsson 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 lead by Niclas Rockborn.