

Jakub Bornio, Damian Szacawa

Sweden in NATO: Relevance for Central and Eastern Europe

On 7 March 2024, Swedish Prime Minister Ulf Kristersson and the state's Foreign Minister Tobias Billström handed over the accession documents to US Secretary of State Antony Blinken, who, as representative of the Washington Treaty depositary state, officially announced that Sweden had become the 32nd member of the North Atlantic Treaty Organisation. Sweden's presence in NATO will not only strengthen the Alliance's operational capabilities in the Baltic Sea basin but will also be of significant importance for Central and Eastern European (CEE) countries. Sweden is recognised in the region as a reliable partner for arms contracts, and its NATO membership will only bolster this reputation. The Swedish arms industry executes several contracts in CEE countries and is an essential component of the support for Ukraine.

Sweden's path to NATO: the perspective of the CEE countries. Turkish President Recep Tayyip Erdoğan's ratification of Sweden's NATO accession protocol on 25 January 2024 proved to be a landmark step on Sweden's path to membership of the Alliance. This was followed by a change in Hungary's attitude towards the Swedish application in February 2024. After a vote in the National Assembly (26 February 2024), Hungary's new president, Tamás Sulyok, signed Sweden's accession protocol to the North Atlantic Treaty Organisation on his first day in office (5 March 2024) (['IEŚ Commentaries', No. 1073](#)). For most of the CEE countries, including the Baltic States (['IEŚ Commentaries', No. 906](#)) and the Czech Republic (['IEŚ Commentaries', No. 912](#)), Hungary's actions, resulting in a prolonged process of NATO's northern enlargement, initially caused misunderstanding, which turned into criticism in the following months.

The completion of the process of Sweden's entry into NATO, which took place on 7 March in the United States, represented a kind of 'Copernican Revolution' in the Baltic Sea region, as it led to a significant shift in the balance of power in favour of the Alliance (['IEŚ Commentaries', No. 901](#)). The next months will show the consequences of this process for the CEE countries.

Sweden in NATO: strengthening the Alliance. Representatives of the CEE countries have frequently made it clear that they see Sweden's (and Finland's) accession to NATO as a strengthening of the Alliance. This was evidenced by the ratification of the accession protocol by the vast majority of them as recently as July 2022. This is primarily because Sweden is an economically highly developed country that is currently in the process of rebuilding its armed forces. Two mechanised brigades are being modernised and equipped with, among other things, Anti-Access Area Denial (A2AD) capabilities, and two more are being reconstituted. These four brigades and the battle group stationed in Gotland will be subordinated to a division-level command by 2030. This process is accompanied by the rearmament of ground forces, including a USD 500 million contract with the UK's BAE Systems for the delivery of 48 Archer self-propelled howitzers, a contract with Finland's Patria for the delivery of 350 Patgb 300A 6x6 wheeled armoured personnel carriers between 2024 and 2033 (20 were delivered as late as October 2023) and a USD 320 million contract with Krauss-Maffei Wegmann for the modernisation of 44 Stridsvagn122 tanks (the Swedish Leopard 2 configuration). In early January 2024, Sweden announced its plans to participate in NATO's Enhanced Forward Presence (eFP) by deploying a mechanised combat battalion to Latvia and integrating it into the brigade structure, of which Canada is the framework state¹. At the same time,

¹ Speech by Prime Minister Ulf Kristersson at Folk och Försvars annual national conference 2024, <https://www.government.se/speeches/2024/01/speech-by-prime-minister-ulf-kristersson-at-folk-och-forsvars-annual-national-conference-2024/>.

alongside these purchases, Sweden is modernising its navy and air force ([‘IEŚ Commentaries’, No. 1023](#)), which will strengthen NATO’s defence and deterrence forces.

The importance of the Swedish defence industry for the CEE countries. Sweden’s NATO membership will offer greater opportunities for CEE countries to benefit from the Swedish defence industry, which is one of the largest in Europe. It is made up of almost 350 factories, valued at more than SEK 29.4 billion kroner (approximately USD 3 billion) in 2022, with total defence exports reaching almost SEK 16.5 billion (over USD 2 billion)². According to data from the Stockholm International Peace Research Institute (SIPRI) for 2018-2022, Sweden was the 13th largest arms exporter in the world³. Swedish arms giant Saab was included in SIPRI’s ranking of the top 100 arms producers in 2022, ranking at a high 39th place⁴. Three players were responsible for two-thirds of the value of exports in 2022: Saab AB, which manufactures, among other things, the JAS-39 Gripen multirole fighter aircraft, the GlobalEye – a multi-domain Airborne Early Warning & Control (AEW&C) aircraft, the Carl Gustaf-M4 – a man-portable, multi-role weapon system and an anti-armour weapons AT4, as well as two sites belonging to the UK’s BAE Systems – Hägglunds in Örnsköldsvik, known for the production of CV90 (Strf 90) infantry fighting vehicles (IFV), and Bofors system in Karlskoga, manufacturer of, among other things, the Archer self-propelled howitzer system.

Following the outbreak of a full-scale war in Ukraine, the Swedish defence industry is experiencing growth related to global militarisation. According to the latest figures from the Inspectorate of Strategic Products, presented on 4 March 2024, the value of Sweden’s arms exports in 2023 exceeded 18 billion kroner, or EUR 1.6 billion (an increase of 18%)⁵. Of the CEE countries, among the top ten importers were Hungary (SEK 946 million, approximately EUR 85 million) and the Czech Republic (SEK 488 million, approximately EUR 44 million), which purchased spare parts for in-service combat aircraft. However, the 2023 transactions do not fully reflect the importance of Sweden’s arms industry to the security of the states in the region, as contracts for future deliveries have been signed in recent years. The Czech Republic has purchased 246 of the aforementioned CV90 IFV (contract worth USD 2.2 billion as of May 2023) and Slovakia, 152 of the CV90 IFV (contract worth USD 1.37 billion in December 2022). In almost identical contracts, local – i.e. Czech and Slovak industries – are expected to participate in around 40% of the total contract value. The building of CV90 production and modernisation capabilities in the two countries is also expected to have a tangible impact on the military support of Ukraine, which also uses this IFV. The Swedes have handed over at least 50 CV90, and the Ukrainian side is interested in purchasing several hundred more machines and launching some production on its territory. Due to the ongoing military conflict, the second objective may be difficult to realise. Therefore, such facilities with production capacity, but primarily service capacity, in geographically close NATO countries can provide a logistical base for Ukraine. A Czech-Ukrainian-Slovak letter of intent in this regard was signed back in June 2023.⁶ Estonia is another regional user of CV90, which in its case was purchased from the Netherlands and Norway, where they were previously used.

Sweden’s Saab is a key supplier of JAS-39 Gripen fighter jets, which are in service with the Czech and Hungarian Air Forces. In the Czech Republic, these aircraft will be replaced in the coming years by F-35 fighter jets ([‘IEŚ Commentaries’, No. 1066](#)), while the Hungarians will most likely opt to buy or continue leasing the JAS-39 Gripen fighter jets after 2026 ([‘IEŚ Commentaries’, No. 1073](#)). It is worth noting that the replacement of the Gripen fleet is currently taking place not only in the Czech Republic but also in Sweden. The security umbrella that NATO will provide Sweden is likely to encourage the Swedish government to eventually decide to transfer some of the

² Strategic Export Control in 2022 – Military Equipment and Dual-Use Items, <https://www.regeringen.se/contentassets/0a1bf3ba74844c96b896a6e712c39e97/strategic-export-control-in-2022-military-equipment-and-dual-use-items/>.

³ https://www.sipri.org/sites/default/files/2023-03/2303_at_fact_sheet_2022_v2.pdf

⁴ https://www.sipri.org/sites/default/files/2023-11/fs_2312_top_100_2022.pdf

⁵ Den svenska exporten av krigsmateriel 2023, <https://isp.se/nyheter/pressmeddelande-den-svenska-krigsmaterielexporten-2023/>.

⁶ <https://twitter.com/oleksiireznikov/status/1669760093972299785>

Gripen in C/D configuration to Ukraine. Ukrainian pilots have already been training in Sweden for some time to operate these fighter jets.

Due to the specific nature of the Central and Eastern European theatre of war, the Carl-Gustaf recoilless rifle (also in its latest M4 version), which is in service with the armed forces of the Baltic States, Visegrad Group countries, and Ukraine, is also an important export commodity for the Swedish arms industry. On 7 March 2024, the first of two contracted Saab 340 airborne early warning and control (AEW&C) aircraft also arrived in Poland. Before this purchase, the Polish Armed Forces could only rely on the NATO AWACS system.

Sweden's contribution to the civil defence of CEE countries. Swedish solutions to civil defence, cyber security and the strengthening of societal resilience may be of interest to the CEE countries. The Swedish authorities are working on an update of the long-term defence plan to be published in April 2024, which is expected to cover both military and civilian defence, as well as financial allocations for the next period of the Defence Act. It will build on the previous security strategy, Total Defence 2021-2025 (['IEŚ Commentaries', No. 464](#)), while at the same time, it will take into account Sweden's accession to NATO and the need to further develop military and civil defence. In this context, it should be noted that the Defence Committee of the Swedish Parliament submitted its report on the state and further development of total defence, with a particular focus on civil defence, on 19 December 2023 to Minister for Defence Pål Jonson and Minister for Civil Defence Carl-Oskar Bohlin. Its recommendations boil down to an urgent strengthening of the civilian component of total defence to increase social resilience and the ability to deal with crises.

Conclusions

- Sweden's accession to NATO was supported by almost all CEE countries. The enlargement of the Alliance has become a regional *game-changer* for securing the Baltic Sea region and CEE more broadly. This translates not only into the political cooperation dimension or operational plans but also into the building of real capabilities based on the deployment of the Swedish Armed Forces in the region or the establishment of bilateral contracts. Sweden's NATO membership enhances the Alliance's real capabilities in deterring Russia and brings further opportunities for military support to Ukraine.
- Sweden's privately-owned arms industry is very well developed and will benefit in the next few years from the so-called 'NATO effect', resulting, among other things, from demand aggregation, i.e. combining a large number of equipment orders from NATO member states with a commitment to increase interoperability. An example of this effect is the decision of the NATO Support and Procurement Agency (NSPA) on 5 February 2024, to procure AT4 anti-armour weapons worth approximately EUR 63 million with deliveries in 2026-2027.