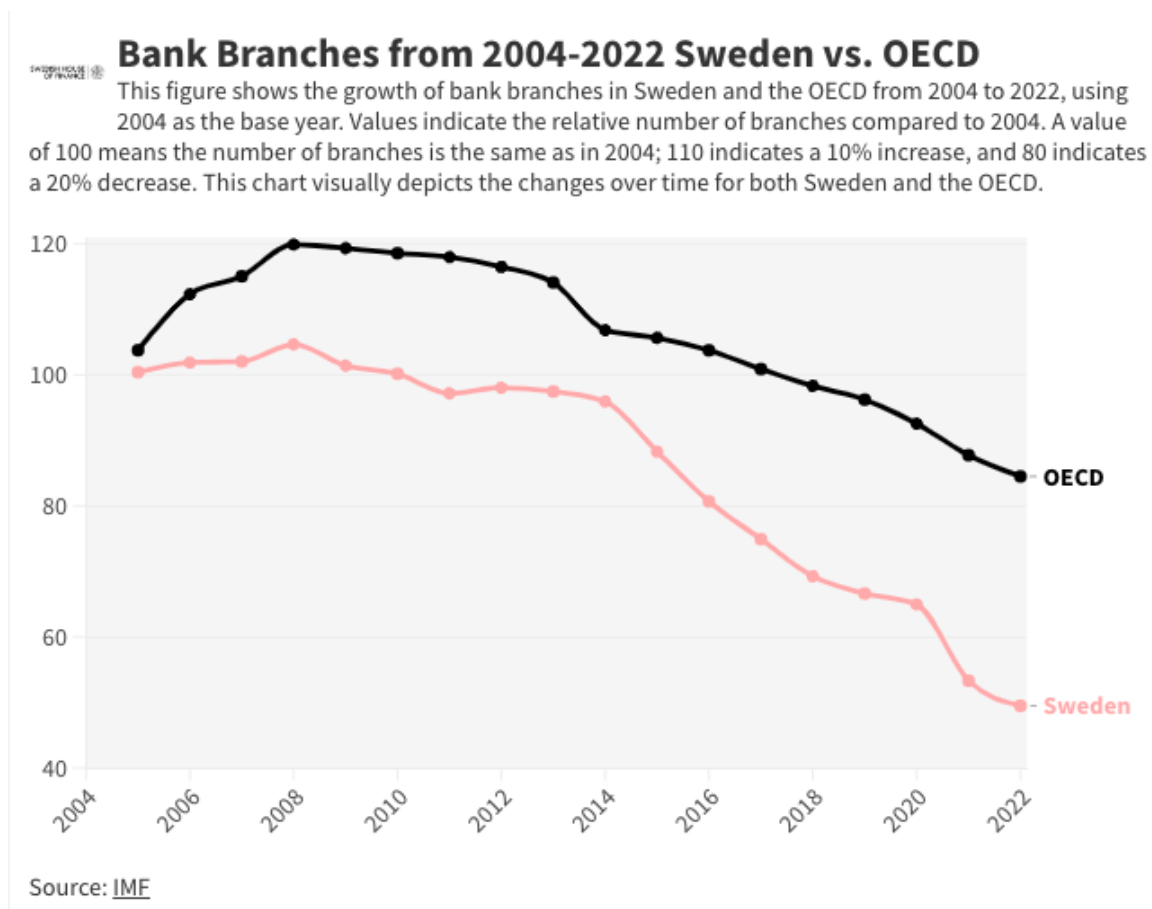


In this issue:

- Bank branch closures lead to fewer loans, lower employment, and more firms exiting the market - new research
- Significant investment and public-private partnerships are essential for Sweden's green transition - Seminar insights
- Shareholder influence and effective boards - SHoF Annual Conference panels
- Should Swedes be more forgiving on household debt relief? - Upcoming seminar

Banking Without Branches: The Hidden Costs of Digitalization



As digital distribution of banking services expands, many banks close physical branches. Alongside greater economic efficiency, this has potential negative consequences for credit provision to small and medium-sized businesses.

Bo Becker (SHoF/SSE) and **Niklas Amberg** (Riksbanken) examine the financial and economic consequences of widespread bank branch closures, using detailed data from Swedish banks and firms.

The study reveals that **when a municipality loses 10% in bank branches**, local firms experience negative effects:

- **Credit Reduction:** A 1.8% drop in loans given to local businesses over two years
- **Economic Impact:** Employment falls by 1.3% and sales by 1.8% over three years
- **Firm Exits:** Likelihood of a firm exiting the market increases

[Read more](#)

UPCOMING EVENTS

Corporate Governance

August 27-28

Swedish House of Finance and the European Corporate Governance Institute invites you to join SHoF Annual Conference. The 2-day conference will feature keynote presentations, panels discussions, and presentations of recent research.

The first day includes keynote addresses and the following panel discussions:

Shareholder Influence and the Greater Good



Demands for engaging with the wider societal impact of corporations, and even engaging with political and geopolitical issues, are rising. How can corporations respond?

Keynote: [Luigi Zingales](#), University of Chicago

Panelists:

[Mireia Giné](#), IESE Business School

[Petra Hedengran](#), Investor AB

Effective Boards in the Modern Era



The rise of global investors with limited involvement in portfolio firms challenges the Swedish corporate governance model. Who will serve on the nominating committees and boards?

Keynote: [Wei Jiang](#), Emory University

Panelists:

[Ann Grevelius](#), Opti

[Wilhelm Mohn](#), NBIM

We are grateful to Swedish Securities Markets Association and the Jan Wallander's and Tom Hedelius' Foundation for financial support.

[See program and register](#)

Rethinking Household Debt Relief: Should Swedes Be More Forgiving?

September 24

Save the date!

Panel discussion on the economic theories and practical experiences related to household debt relief, both within Sweden and internationally.

Confirmed speakers:

- **Johan Almenberg**, State Secretary to the Minister for Financial Markets
- **Neale Mahoney**, Professor of Economics at Stanford University
- **Lena Petersson**, SVT journalist and author of the book Skuldsatt
- **Fredrik Rosengren**, Director General, Rikskronofogden, national debt enforcement agency

[Read more](#)

FEATURED ARTICLE

Sweden's Green Leap through Public-Private Partnerships

Sweden, known for its progressive environmental policies, is at a crucial juncture to meet the Paris Agreement's net-zero targets. At a recent seminar, stakeholders from academia, government, and business discussed policy innovations to drive the country and the world towards a sustainable future.



Panel discussion with Karolina Ekholm (Riksgälden), Liisa Raasakka (EIB), Niklas Ekvall (AP4) and Otto Gernandt (H2 Green Steel) moderated by Aurore Belfrage

[Key Takeaways from the speakers:](#)

- **Mikael Damberg** (Sweden's former Minister of Finance) highlighted Sweden's prosperity stemming from high-quality, innovative, and sustainable industrial output.
- **Liisa Raasakka** (European Investment Bank) emphasized the importance of structured approaches and transparency in managing climate investment risks, with the EIB dedicating 75% of its Swedish lending to climate initiatives.
- **Karolina Ekholm** (Riksgälden) explained the mechanism of government credit guarantees for major industrial projects, ensuring they comply with EU state aid rules and operate on market-based principles, potentially profiting taxpayers.
- **Niklas Ekvall** (AP4) stressed the need for aligning public and private efforts, highlighting that long-term agreements and shared risks are crucial for sustainable infrastructure investments.
- **Otto Gernandt** (H2 Green Steel) pointed out that one of the challenges [for companies engaging in industrial innovation and green transition, focusing on new techniques] is how to construct a creditworthy counterparty for public institutions and at the same time secure substantial financing from commercial lenders.
- **Gustav Martinsson** (SHoF / Stockholm University) advocated for a balanced approach that combines carbon pricing with subsidies to address market failures and foster innovation in green technologies.
- **Christian Sandström** (Jönköping University) cautioned against over-optimism, urging technological neutrality and learning from past policy mistakes to avoid future failures.

[Read more](#)

About SHoF

The Swedish House of Finance (SHoF) at the Stockholm School of Economics is Sweden's national research center for financial economics.

SHoF is an equally private and government funded, nonprofit, nonpartisan organization. It hosts approximately 40 resident research fellows with research assistants, as well as around 30 PhD students in finance.

Sweden's national research center in financial economics

**SWEDISH HOUSE
OF FINANCE**

