

DOING BUSINESS IN SCANDINAVIA 2015-2016





INTRODUCTION

Anybody who purchases Auditing, Advisory, Tax and Accounting services is looking for something specialized. Many clients consider Scandinavia as one region and we can offer you a Scandinavian solution. In Scandinavia, we share history and culture and we also communicate in our native languages across borders.

We provide our clients with coherent and tailored solutions delivered by a partner who is committed and understands your business needs. Our three countries build a strong team by having mutual understanding, pooling knowledge and personnel bonds. Long term business and personal relationships are very important for us.

With a total workforce of 300 employees and with offices in 14 locations, we have the capacity to handle large operations all over Scandinavia and further afield. In Sweden, we have premises in Stockholm, Gothenburg, Malmö, and in several other cities in southern Sweden. In Denmark, we operate from our office in Copenhagen and in Norway from our office in Oslo.

Managing Partners in Scandinavia



Pia Lillebæk, Denmark

Jan Olaf Poulsen, Norway

Marianne Sandén Ljungberg, Sweden



SCANDINAVIAN SERVICES AND SOLUTIONS

AUDIT AND ASSURANCE

- Statutory Audit
- Contractual Audit
- Technical reporting standards
- IPO
- IT-Audit
- Internal Audit

COMPANY SECRETERIAL

- Stock company
- Registration
- Interim services

TAX

- Business tax compliance
- Tax advisory services
- Corporate tax / International tax
- VAT/Indirect tax
- Transfer pricing services
- Employment tax
- Expatriate tax services
- Corporate structures

FINANCIAL ADVISORY SERVICES

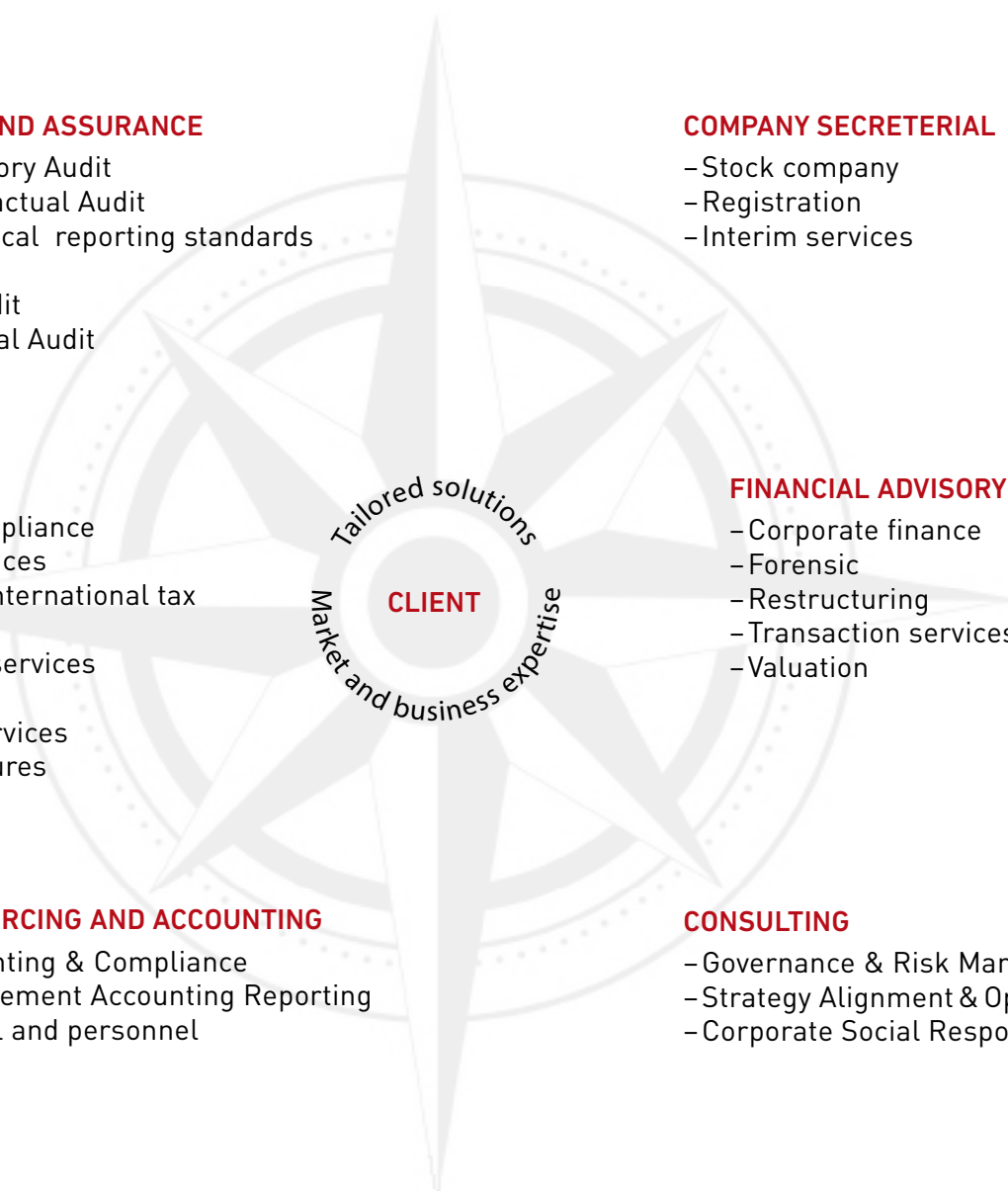
- Corporate finance
- Forensic
- Restructuring
- Transaction services
- Valuation

OUTSOURCING AND ACCOUNTING

- Accounting & Compliance
- Management Accounting Reporting
- Payroll and personnel

CONSULTING

- Governance & Risk Management
- Strategy Alignment & Operations
- Corporate Social Responsibility





SWEDEN





SWEDEN

GDP Growth

The Swedish economy increased by 0.8 percent in the third quarter of 2015 over the previous quarter. GDP Growth Rate in Sweden averaged 0.65 percent from 1993 until 2015, reaching an all-time high of 2.30 percent in the first quarter of 2010 and a record low of -3.70 percent in the fourth quarter of 2008. GDP Growth Rate in Sweden is reported by the Statistics Sweden.

Population

September 2015: 9.828.655

GDP per capita (head)

The Gross Domestic Product per capita in Sweden was last recorded at 46061.43 US dollars in 2014. The GDP per Capita in Sweden is equivalent to 365 percent of the world's average. GDP per capita in Sweden averaged 30818.51 USD from 1960 until 2014, reaching an all-time high of 46061.43 USD in 2014 and a record low of 14909.55 USD in 1960. GDP per capita in Sweden is reported by the World Bank.

World Bank Ease of Doing Business Rank

DOING BUSINESS 2016 RANK	DOING BUSINESS 2015 RANK***	CHANGE IN RANK
8	9	+1

Establishing an Entity

It is an easy process to start a new business in Sweden. Procedures are simple and efficient, based on a transparent system that seeks to facilitate the establishment of new enterprises.

Sweden has 3 types of businesses, Aktiebolag (Limited Company), Handelsbolag (Trading Partnerships) which is a legal entity with direct taxation at ownership level and with a minimum of 2 owners, and Enskild firma (Sole Traders) which is not a legal entity but a business taxed directly at ownership level.

- Limited Company or branch is the most commonly used form by foreign businesses
- No Swedish partner needed to start a business
- Bookkeeping for a Swedish company should be done in Sweden according to Swedish standards

A Limited Company only requires one shareholder and the minimum share capital is 50.000 SEK. Minimum requirement is one board member and one deputy. 50% of the board members have to be domiciled and resident within the EU (exceptions can be applied for). The company needs to have an official person that is resident in Sweden to receive notice of service from official agencies. This person does not need to have any other position in the company and can be a tax lawyer or an auditor.

Swedish society and industry are highly international and technology oriented. The knowledge of foreign languages, especially English is very high. Sweden has no rules which discriminate against foreign investors and shareholders, even if they reside in another country.

We recommend that you always consult an auditor or a tax lawyer when establishing a business in Sweden in order to set up the most suitable framework for your business. Mazars can provide a highly skilled team of accountants and auditors that are well accustomed to working with international structures.



Foreign Business Restrictions

Skilled professionals, smooth business procedures and receptivity to international ownership make Sweden an easy country to operate in. International businesses will find an environment that is modern, open and business friendly.

- Sweden is one of the world's most knowledge intensive economies
- The wage levels are cost-effective for skilled employees
- Transparent and user friendly business frameworks
- Competitive corporate tax rate of only 22 percent flat rate (2016)
- Good system of participation exemption for foreign dividends and capital gains

Swedish commercial legislation is applied to both foreign investments and international trade. The same legislation applies to both foreign and domestic companies. The political climate is characterized by openness and transparency within both the private and the public sectors.

Internet usage is high and most services are available online. Most reporting is required to be filed electronically.

The communication, transportation and energy infrastructures are well-developed.

Environmental awareness is strong and Sweden has taken a proactive role in areas such as recycling and pollution control for several decades and in more recent times in biofuel development.

Investment Incentives

Sweden offers a limited range of financial incentives to help companies set up a business and expand. This support is primarily regional in nature and comprises of regional investment grants, employment support and a special social insurance-related tax break. The regional development grants are aimed to stimulate economic growth and to achieve balanced regional development.

Work Permits and Visas

The rules for moving to Sweden for work vary depending on your country of citizenship. EU/EEA citizens and Swiss citizens can live and work in Sweden under the EU regulations on freedom of movement.


All individuals who reside and work longer than 6 months and fulfill all requirements can bring their families to Sweden. These family members can then begin to study or work immediately.

Please visit the Swedish Migration Board's website for more information about the regulations, <http://www.migrationsverket.se/English/Private-individuals.html>

Taxation

Sweden is among Europe's most favorable country for Holding Companies due to tax exemptions on capital gains, dividends and other competitive tax rules. Capital gains and dividends from business related shares are generally exempt from tax.

The Swedish tax structure is transparent and designed to satisfy the needs of international investors. The tax framework for businesses is very favorable when compared to other OECD nations.



The corporate tax rate (22 percent) is low by international standards and is also based solely on a company's annual profit, no license tax or local corporate tax is payable. Swedish legislation has created a beneficial tax climate for companies that set up a Limited Company, Subsidiary, Holding Company or a Branch in Sweden. The tax package includes tax exemptions on capital gains and intra-group dividends, no withholding of tax on interest payments and in most cases, no withholding of tax on dividends. There is no exit taxation for corporations or employees.

The Swedish National Board of Advance Rulings (Skatterättsnämnden) also offer advance tax rulings which allow a company to ask the Board ahead of time if its specific company tax strategy can be applied in Sweden.

To make it easier for companies to attract international expertise to Sweden, experts and highly qualified employees from abroad can apply for expatriate relief, reducing their income tax rate by 25% the first 3 years.

Unilateral tax treaties with more than 100 countries help to avoid double taxation.

The personal income tax rates are high from an international perspective, but the social security payments incumbents on employers are minimal.

Tax reporting

- Income tax return for a Swedish Aktiebolag is filed on an annual basis depending on financial year
- Aside that the company has to file a VAT return either annually, quarterly or monthly depending on the size of their business
- Companies also need to file employee returns for salary costs on a monthly basis. Social security is paid solely by the employer and it is set at 31.42 percent of the employee's gross salary

Audit & Accounting

The financial year

A financial year must contain 12 months of business activity and is the period for which a company is required to prepare annual accounts or an annual report. The financial year for a new company is allowed to be shorter than 12 months and can also be extended up to 18 months.

Sole Traders and Trading Partnerships where no partner is a legal personality may only have the calendar year as their financial year. Limited Companies and Economic Associations may choose either the calendar year or a split financial year.

Annual accounts/report

An annual report contains a profit and loss account sheet, a balance sheet and a director's report. The auditor (if the company has one) then examines the annual report and submits an audit report. The profit and loss account sheet must show correct details of income and expenditure for the period, i.e. the financial year. The balance sheet is a summary of the company's wealth, assets, liabilities and equity at the time of the balance sheet.

Unlike the annual accounts, the annual report is a public document. The Swedish Companies Registration Office (Bolagsverket, www.bolagsverket.se), is the authority where companies' annual reports are filed and registered. Upon payment of a fee, annual reports and other public information can be obtained from Bolagsverkets Trade and Industry Register.



Audit

A Swedish company should normally have an auditor. However only companies above a certain threshold are obliged to have an auditor, the threshold is as follows:

- 3 employees
- 1.5 million SEK in total assets
- 3 million SEK in annual turnover

If 2 out of 3 of these requirements are met the company has to have an auditor. If not, they can choose not to have an auditor.

- Trading Partnerships, in which one or more legal representatives are partners, are required to prepare an annual report which is submitted to the Swedish Companies Registration Office. In some cases, the set of accounts must be audited by an auditor.
- Limited Companies always need to have their accounts audited by an auditor and are required to prepare an annual report
- Financial Associations must always have their accounts audited by an auditor and are required to prepare an annual report
- Audit requirements for smaller companies were abolished in 2010

Country Quirks

Most Swedish businesses are characterized by a relatively flat structure and relations between different levels within an organization are usually informal. This means that decision lines are sometimes less obvious. A premium is placed on discussion and reaching consensus; team members are expected to make a positive contribution to discussions and decisions. Swedes generally avoid conflicts and confrontations at all cost. Do not show anger in meetings or public settings.

Swedes are generally open-minded and tolerant. Sweden has generous allowances for both maternity and paternity leave. Flexible working hours are often available to enable more time to be spent with family.

Meeting & Greeting Etiquette

Swedish communication style is direct and open and it is important to maintain direct eye contact. Swedes are also generally reserved. These traits, accompanied by the fact that there are fewer words in the Swedish language compared to English, and no specific word for 'please', means that Swedes sometimes can appear unfriendly or abrupt without meaning to be.

When conversing, be sure to listen intently to anyone speaking and do not interrupt. Expect to address a person by his or her first name. Avoid speaking with your hands in your pockets as this is considered bad etiquette.

Swedes like to establish relationships on an informal level. However, private and business lives are kept very separate from one another.

Dress Etiquette

For business purposes, men should wear suits with or without a tie and women should wear suits or business dresses. Trousers are acceptable for business women. Remember to keep a low profile, avoid wearing anything too flamboyant.



Meetings and Negotiations

Appointments are almost always required and should be confirmed in writing. Swedes do not 'drop in' on one another because they are in the neighborhood. Refrain from scheduling meetings in June, July, August or during the Christmas season since many Swedes are on vacation then.

Punctuality is important when doing business and also for social engagements. Never be late. If you must be late for any reason it is absolutely crucial to phone in advance and let someone know. Being late is seen as poor etiquette and will reflect badly on you.

Before doing business in Sweden, you should know that Swedes respect someone who comes to them with knowledge and experience and that they are very detail-oriented. Any proposal or presentation must be well planned and logically organized. A decision will never be made in the first meeting. At this stage, the Swedes will be evaluating you, your company and your proposal. Several meetings can be required before all details are clear and any questions can be answered.

Egalitarianism

Egalitarianism is a dominant social value in Sweden. Consensus and compromise are ingrained into business and social life. You will notice the lack of outward signs of hierarchy and status that are present in many other countries. Swedes value consensus so do not lay all your energy in to endearing yourself with the top-level executives. In many cases, the power to make a decision will fall to middle management, who may even devolve it over to lower levels of management.

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DENMARK





DENMARK

GDP Growth

The Gross Domestic Product (GDP) in Denmark expanded 0.90 percent in the third quarter of 2015 over the same quarter of the previous year. GDP Annual Growth Rate in Denmark averaged 1.49 percent from 1991 until 2015.

Population

September 2015: 5.639.565

GDP per capita (head)

The Gross Domestic Product per capita in Denmark was last recorded at 47.547 US dollars in 2014. The GDP per Capita in Denmark is equivalent to 376 percent of the world's average.

World Bank Ease of Doing Business Rank

DOING BUSINESS 2016 RANK	DOING BUSINESS 2015 RANK	CHANGE IN RANK
3	3	0

Establishing an Entity

It is an easy process to start a new business in Denmark. Procedures are simple and efficient, based on a transparent system that seeks to facilitate the establishment of new enterprises.

- Straightforward system for business start-ups
- Limited Liability Company (minimum share capital DKK 50.000) or branch – is the most commonly used by foreign businesses
- No Danish partner needed to start a business

Danish society and industry are highly international and technology oriented. The knowledge of foreign languages, especially English is very high. Denmark has no laws which discriminate against foreign investors and shareholders. In addition, registered managers may reside in any country.

Foreign Business Restrictions

A very international economy with a high volume of imports and exports make Denmark an easy country to operate in. International businesses will find an environment that is modern, open and enterprise friendly.

- Full receptivity to international ownership and management
- Transparent and user-friendly business frameworks
- Wage level at the high end, however productivity is rising
- Competitive corporate tax rate of 22 percent (2016)

Danish commercial legislation is applied to both foreign investments and international trade. The same legislation applies to both foreign and domestic companies. The political climate is characterized by openness and transparency in both the private and the public sectors.

Internet usage is high and most services are available online. The communication, transportation and energy infrastructures are well-developed.



Investment Incentives

Denmark offers a limited range of financial incentives to help companies innovate and develop their business. See also <http://vaekstguiden.dk/forside/0/2>.

Furthermore, it is also possible to apply for tax relief for R&D projects. An annual tax refund of up to 5.5 million DKK in 2015 (equivalent of R&D losses up to 25 million DKK) can be granted by the Danish tax authorities upon request. However, if granted the corresponding tax losses cannot be carried forward to future financial years.

Work Permits and Visas

EU/EEA citizens and Swiss citizens can live and work in Denmark under the EU regulations on freedom of movement. Consequently, they do not need a residence or work permit.

In most cases, citizens of other nationalities require a residence and work permit before they can begin working. Whether they can obtain a residence and work permit depends, first and foremost, on their qualifications.

All workers with a residence and work permit can also apply for a residence permit for accompanying family members.

Please visit The Official Portal for Foreigners' website for further information on migration regulations www.nyidanmark.dk/en-us/.

Taxation

Denmark's tax structure is transparent and is structured to facilitate foreign investments in Denmark. Companies can benefit from the following advantageous tax rules:

- Competitive corporate tax rate, 22 percent
- Tax exempt intro-group dividends
- No withholding of tax on interest payments in most circumstances
- Joint taxation of all Danish entities
- Capital gains tax exemption on sale of shares (min. 10 percent holding)
- Special low taxes for key foreign employees

The corporate tax rate is low by international standards, 22 percent. No license or local corporate tax is payable.

The personal income tax rates are high from an international perspective, but the social security payments incumbents on employers are minimal. Denmark has introduced low tax rates to attract key foreign employees.

Unilateral tax treaties with more than 80 countries help to avoid double taxation.

The Danish tax authorities offer advance tax rulings which allows tax payers to evaluate the tax consequences of a specific planned action ahead of time.



Audit & Accounting

Annual Report

All limited liability companies must prepare an annual report in accordance with Danish GAAP.

Danish GAAP is in general less comprehensive than IFRS, but the generally accepted accounting principles in Denmark are mostly in line with IFRS.

The annual report must consist of a profit and loss sheet, a balance sheet, disclosures including accounting principles, and a director's and an auditor's report.

Smaller and medium sized companies are exempt from some of the disclosures and requirements. Listed companies are required to prepare an annual report in accordance with IFRS.

The annual report must be filed with the Danish Business Authority electronically.

The financial year consists of 12 months. During the start-up year, the financial year can be prolonged to 18 months, or can be shortened to less than 12 months. A company can freely choose its financial year throughout a calendar year.

Audit

In general, all limited liability companies are obliged to have an auditor. The auditor must be a certified auditor registered with the authorities.

Very small limited companies can choose not to have an auditor. The company must comply with two of the following criterias:

- Revenue less than 8 million DKK
- Assets less than 4 million DKK
- Fewer than 10 employees


Small and medium-sized companies can choose an "extended review" instead of an audit. The "extended review" is a normal review with additional obligatory action. The extended review must be performed by a certified auditor.

Country Quirks

Denmark is an egalitarian society, which is evident in its business culture. The country has the lowest level of income inequality in the world, gender equality is promoted, and the welfare of the team is seen as more important than individual attainment.

Most Danish businesses are characterized by a relatively flat structure and relations between different levels within an organization are usually informal. This means that decision lines are sometimes less obvious. A premium is placed on discussion and reaching consensus; team members are expected to make a positive contribution to discussions and decisions. In line with this, Danes generally avoid conflict and confrontations at all cost. It is best to remain even-tempered and not to display anger in any meetings or in public.

Danes are generally open-minded and tolerant. Family is at the heart of Denmark's social structures and this also extends to the working environment; Denmark has generous allowances for both maternity and paternity leave. Flexible working hours are often available to enable more time to be spent with family.



Business communications are normally direct; it is important to maintain direct eye contact. Danes prefer to get down to business immediately, leaving little time for small talk during meetings. Danes are also generally reserved. These traits, accompanied by the fact that there are fewer words in the Danish language compared to English, and no specific word in Danish for 'please', means that Danes can sometimes appear as unfriendly and rude. However, this is usually not the case, and in fact most Danes have a good sense of humor, which is usually quite dry and sarcastic.

Meeting & Greeting Etiquette

Upon meeting people in Denmark shake hands with everyone in the meeting upon arrival and departure. Handshakes should be very firm and rather short. Maintain eye contact while being introduced to somebody else. When doing business, you will notice people stand up to greet people if they are seated.

Dress Etiquette

The informal attitude of the Danes is expressed in a generally relaxed but still conservative style of dress code. While many men prefer a suit and tie, it is not uncommon to see businessmen in more casual clothing, especially when meeting contacts they already know. Women also dress relatively casually, however, it is always advisable to pay some attention to your choice of clothes and to dress on the conservative side.

Meetings and Negotiations

Appointments are almost always required. Danes do not 'drop in' on one another because they are in the neighborhood. Appointments should be confirmed in writing.

Danes like to have a fairly large amount of personal space between one another when interacting. When doing business in Denmark, be aware of other's personal space and try not to be too tactile.

Danes are organized and will plan to work from a schedule without deviation. Send an agenda before a meeting. All presentations should be well-organized and factual. Use facts, figures and charts to support statements and conclusions.

Danes are direct. Expect pointed questions and respond directly. Finally, note that Danes are usually very punctual.

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NORWAY





NORWAY

GDP Growth

The Gross Domestic Product (GDP) in Norway increased by 2.7% in 2014. GDP Growth Rate in Norway averaged 6.6% from 1994 until 2014.

Population

September 2015: 5.189.435

GDP per capita (head)

The Gross Domestic Product per capita in Norway was last recorded at 613 946 NOK (67245.60 US dollars) in 2014. Norway has the second highest GDP per capita in Europe, only beaten by Luxembourg.

World Bank Ease of Doing Business Rank

DOING BUSINESS 2016 RANK	DOING BUSINESS 2015 RANK	CHANGE IN RANK
9	8	-1

Establishing an Entity

It is an easy process to start a new business in Norway. The most typical ways of organizing a business activity are as follows: "Aksjeselskap" which is a Limited Company (private or public) with company taxation. Secondly, "Ansvarlig Selskap" which is a partnership with liability (apportioned or general) with direct taxation of the partners. This must be at least two partners, and the partners may be corporate bodies or private individuals. Finally, the "Personlig næringsdrivende" which is an unincorporated business where the individual is taxed directly.

- Limited Company (minimum share capital 30.000 NOK) or branch is the most commonly used by foreign businesses
- No Norwegian partner needed to start a business


Norwegian society and industry is highly international and technology oriented. Norway has no rules that discriminate against foreign investors. In addition, shareholders may reside in any country.

Foreign Business Restrictions

Skilled professionals, smooth business procedures and receptivity to international ownership make Norway an easy country to operate in. International businesses will find an environment that is modern, open and enterprise friendly.

- The wage levels are regarded as relatively high
- Transparent and user friendly business frameworks
- The corporate tax rate is to be reduced. Previously, it was 27 percent, but from 2016 it will be reduced to 25 percent and is expected to be reduced further.

Norwegian commercial legislation is adapted to both foreign investments and international trade. The same legislation applies to both foreign and domestically owned companies. The political climate is characterized by openness and transparency within both the private and the public sectors.



Internet usage is high and most services are available online. Most reporting is required to be filed electronically. The communication, transportation and energy infrastructures are well-developed. Environmental awareness is strong in Norway with strict regulations on environmental matters.

Investment Incentives

Innovation Norway is the Norwegian Government's most important instrument for innovation and development of Norwegian enterprises and industry. They support companies in developing their competitive advantage and to enhance innovation. See also <http://www.innovasjon Norge.no/en/start-page/>.

It is also possible to apply for tax relief for R&D projects. The Application process is administrated by The Research Council of Norway. An unused tax credit may not be transferred from one year to another. The tax credit is limited to R&D costs incurred in the tax year. If the company is not in a tax position, it will receive a tax refund amounting to the same sum as the tax credit would have been. The refund is given in connection with the tax settlement during the year following the tax year. For more information visit: http://www.skattefunn.no/prognett-skattefunn/Home_page/1222340152176.

Local authorities may assist in different ways to attract new businesses, but this is on rare occasions.

Work Permits and Visas

The rules for moving to Norway for work varies depend on country of citizenship. If an individual is from the EU/EEA the rules are relatively simple. In most cases, citizens of other nationalities require a residence and work permit before they can begin working. Applicants normally have to apply for immigration from their home country. All workers with a residence and work permit can also apply for a residence permit for accompanying family members. Once approval is given the family members can come to Norway and begin to study or work immediately. See also www.udi.no for more information on migration matters.

Taxation


The Norwegian corporate tax system is transparent and straightforward. The corporate tax rate is a flat tax of 25% that applies to the sum of profits and capital gains. No license tax or local corporate tax is payable. The Norwegian tax structure does not distinguish between Norwegian and foreign investors. Other measures include tax exemptions on capital gains and intra-group dividends, no withholding of tax on interest payments and in most cases, no withholding of tax on dividends. In 2014 the tax authorities introduced regulations to reduce the deduction of interest payment to group companies based abroad, this was designed to improve the distribution of taxable income between different jurisdictions.

- For companies subject to audit, the auditor is required to cosign several specified appendixes to the tax return
- Unilateral tax treaties with more than 90 countries help to avoid double taxation
- The Norwegian tax authorities offer advance tax rulings which allows tax payers to evaluate the tax consequences of a specific planned action ahead of time

Audit & Accounting

Financial statement

In general, all limited corporations are required to produce a financial statement and have this statement approved. The financial statement consists of an annual report, a profit and loss, sheet, a balance sheet and disclosures. If an auditor are required, the financial statement is examined by the auditor and an audit report is presented at the owners/shareholders' meeting. The audit report will be a part of the financial statement.



All limited corporations and branches have to file a financial statement to the Register of Company Accounts that is part of the Register of Business Enterprises. For branches, the financial statement of the total company is public, the branch financial statement in Norway is not public. See also www.brreg.no.

As this is an open register, individuals can request a full set of financial statement for any company for a fee. The fee is determined on an annual basis. Extracts of the P&L and/or balance sheet, several companies present this information along with other key information about enterprises in Norway such as www.proff.no or www.purehelp.no.

In general, all enterprises have to prepare a financial statement, and are obligated to file it with the Register of Company

The accounting language in Norway is based on the accrual principle. Guidelines are given in the Norwegian Accounting Act and include generally accepted accounting principles. Standards under N GAAP are maintained by The Norwegian Accounting Standard Board. See also www.regnskapsstiftelsen.no/globalmeny/english/.

The requirements of the content of the annual report and the disclosures vary with the size of the company. Large companies are required to have a more comprehensive report. Small companies have exemptions to the basic requirements, while the remaining businesses have to follow the regular rules.

Listed companies are required to use IFRS as accounting language, while other companies are allowed to use IFRS or simplified IFRS. Local GAAP is in general less comprehensive than IFRS.

Consolidated accounts

A parent company in Norway must present consolidated accounts. There are however two exemptions:

- Small companies, if they also are regarded as small on consolidated level
- Parent companies that is a sub-group, where consolidated accounts are presented within EU/EAA

The financial year

According to the Norwegian Accounting act the financial year is the calendar year. If a company is part of a foreign group with another financial year they are allowed to align. A financial year shall contain 12 months. When starting up a business the first financial year is allowed to be shorter than 12 months or extended up to 18 months (at most).

Audit

In general all accountable businesses are obligated to have an auditor. The auditor must be a registered or state authorized public accountant registered at the FSA in Norway. Consequently, all limited corporations have been required to use an auditor independent of their size.

Small limited corporations can choose not to have their annual accounts audited. If all of the following criteria are fulfilled, then the organization has the option of not having their financial statement audited:

- Revenue less than 5 million NOK
 - Assets less than 20 million NOK
 - Fewer than 10 employees
 - No subsidiaries
-



Country Quirks

The Norwegian business culture is based on Norwegian (Scandinavian) work values. One of the main values is the focus on equality. As a result, you will see little hierarchy, flat structures and informal communication between colleagues. Norwegians are less impressed by titles and symbols of power than in other countries.

Cooperation is highly valued. A basis for the 'Norwegian model' is the cooperation between the government trade unions and the employee organizations. At company level, the cooperation between employer and employee is vital.

Empowerment should also be mentioned, individuals working in Norway often have to take responsibility and initiative. Relations in Norwegian society and also at the work place are based on trust. Given trust, the Norwegian workforce is seen as productive, competent and motivated.

Finally, as a manager in Norway, you must be aware of the cultural dynamics. You are not expected to give orders, but act as a coach or a facilitator. Remember to involve people in decisions and see yourself as one amongst equals. You should further see the flat structure and openness as a tool to achieve results and not as a threat.

Meeting & Greeting Etiquette

When doing business in Norway the handshake is done swiftly and firmly.

As mentioned previously, Norwegians like to establish relationships on an informal level. However, private and business lives are very much segregated. When doing business in Norway, expect to address a person by his or her first name.

Norwegians tend to stay farther apart when conversing than in many other countries.

The style of communication style in Norway is direct and open. This may appear abrupt but is not meant to be so. When conversing, be sure to listen intently to anyone speaking and do not interrupt. Turns are taken to offer opinions.

Dress Etiquette

When doing business in Norway, think conservatively. For business purposes, men should wear suits with or without a tie. Women should wear suits or business dresses. Trousers are acceptable for business women in Norway. The egalitarian values of Norway mean you should remember to keep a low profile. Avoid wearing anything flamboyant. Senior executives, usually do not dress more elegantly than other members of staff.

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The Scandinavian Team on the annual conference in Malmö (Sweden), September 2015



Photographer: Nils Albertsen, Sweden

Footnote:

PIE – Public Interest Entities

OMB – Owner-managed businesses

AOS – Accounting and outsourcing services