



Magazine for entrepreneurs in Norway

Omega Norwegian Solutions

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Perfect future employee

Working life is changing. We are more flexible, more global, more digital. Working one's whole life for one and only employer becomes thing of the past. How can the perfect employee in this reality look like? Here come some Norwegian concepts.

Disappearance of the border between being a private person and an employee

Some employers claim to be more focused on goals than effects. As such they try to treat employees not as workers but as partners or even friends. They try to arrange offices not to be cold neuter places with only desks and seats, but to be more like homes with their own character. A good example can be arranging a central meeting room as a cosy living room not featureless conference room.

There's no pressure to sit in the office from 8 am to 4 pm if only employees can work effectively for their employer and provide new ideas. Work can be done from home or other places, even remote, because the main way of communication with the higher-ups is Skype or other social media. The same approach the employers have towards employees' vacation. Deliver employees all projects and work they are supposed to deliver, they can have much more than 4 weeks of vacation.

According to employers with such approach, all this means the border between private and working life will become more and more vague and may finally disappear. It can lead to anxiety of some people involved in such system since we still have the need for security and we feel safer when we have the framework in which we can fit. People voting for such arrangements think however it's a good direction since it can help both employer and employees to achieve better control over their work and functioning and, since it's based on mutual trust, helps to create good atmosphere in the company.

Perfect employees are to be positive, social, creative people, ready to exchange experience but also to do various things together in their free time.

Fundamental qualifications as the biggest adjustment force

Some employers point out that leaders have overview over company's and personnel's affairs, but they can never notice everything – that's why they enforce a system where they encourage employees to have their own opinions and to share it, a system with little or no hierarchy.

They are also aware that people who start their first job now, are expected to be present in working life for around 50 years. This means they have to be ready for various changes since the world and ways of work change now faster than ever before. One can not expect to do the same thing over and over again – they will have to learn new things and sometimes to completely retrain themselves.

This concerns all branches and professions. That's why many employers view education and qualifications as the main driving force.

Such companies search for people who are always able and ready to learn new things. This concerns not only reading and attending various courses, but also being curious and open. Employees are expected not to stick to one particular role, but to reform and develop it. Established situations and positions are not necessarily the best ones, and employers should have courage to be critical towards them as well as to suggest and make changes and innovations if they see something can be made better. It's the basic prerequisite for development not only for the company, but also for employees themselves.

Ability to find balance

Many employers nowadays are aware that the flow of information and data is overwhelming and it becomes impossible to achieve complete control over everything we do. They see how important it is to wisely choose what's most important and to set the reasonable limits. Their goal becomes not to know a little about everything, but to know all about their respective fields.

These employers are not afraid of mistakes if only they and their employees can learn from them. They appreciate creative solutions to the problems instead of just pointing them out. They value ability to create, develop and handle various relationships, critical judgement, ability to see connections between different cases, use of new tools and learning about new trends.

Perfect employees for such employers are people who are competent in what they do, people motivated to work but also not jealous of others' success and able to help others to achieve their goals. They should take responsibility for their work, but also for themselves. In other words – they should be active, look for new solutions and be able to do more than usual if this is needed, but also take care of their health and hobbies as well as find balance between work and private life.

As we can see, employers have various visions concerning their perfect future employees, based on their principal values. There are some qualities that appear more often than others though. It seems that the Norwegian perfect employee should be creative, open, not afraid of change and sociable. Do you fulfil these conditions?

Welcome new challenges

- interview with Julien S. Bourrelle



He has lived in five different countries. He has studied aerospace engineering, but during his PhD course, he discovered a new passion, which was analyzing social interactions and decoding cultural differences in order to improve communication between people. Today, he runs courses and seminars on intercultural interaction.

Polish Connection: Let us start with one of your favorite questions and one of the most frequently asked by Norwegians – ‘Why Norway?’

Julien S. Bourrelle: I came to Norway with a view to obtaining a PhD at NTNU. I had heard many positive things about the country long before I came here, so I was curious. I liked it here, I was impressed with the nature, among other things, and so... I stayed.

P.C.: Do you now get the impression that you understand Norwegians and their patterns of behavior well?

J. S. B.: Let me put it this way – I am less surprised. I have adapted, I have found the key to understanding the locals. I comprehend most of the Norwegian patterns of behavior, and thanks to that, I stress much less, I don't take certain things to heart unnecessarily anymore.

In his book ‘The Social Guidebook to Norway’, he has shown the various social traps awaiting foreigners in Norway. Together, we spoke about finding your own place in a new country.

P.C.: Could you give us an example?

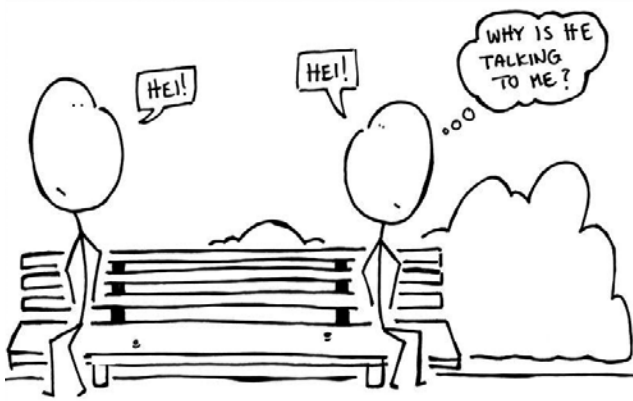
J. S. B.: A typical situation on public transport – no one sitting next to you, no one striking up a conversation, it seems that people are trying to stay as far away from you as possible. As a newcomer to Norway, you don't know if this situation is a typical or an unusual one. You may start thinking that it's because of you, that people keep avoiding you because you're a foreigner. The truth, however, is very different, because this is typical Norwegian behavior, typical Norwegian friendliness. Because what does it mean to be friendly in Norway?

P.C.: Not imposing, respecting someone's personal space, keeping one's distance.

J. S. B.: That's right. And not touching upon topics that may seem too personal, especially with people we do not know too well. Just like I described it in the book – if you want to talk to someone about sport, sign up to a sports club; if it's about politics, then to a local political circle, and if you feel like confiding into someone or discussing your emotions, go see a psychologist.

P.C.: What is your advice to foreigners coming to Norway?

J. S. B.: To skip the first stage of the adaptation process, which is all about looking for people in the same situation as ours, that is representatives of the same nation or other minorities. If we lock ourselves in this social bubble, it will be very difficult for us to exit it later on, which can delay the adaptation process by years. From the very beginning, be in contact with the locals. Get involved in local activities; look for activities that are adequate to our interests. Invite Norwegians to your place, try to understand and get to know their way of communicating.



P.C. A fairly difficult and risky strategy. What if no one responds to the invitation?

J. S. B: They will, if the invitation is specific and connected with some activity. If we name it in a way that is much more casual, for example 'stop by whenever you feel like it', then we are actually running the risk of no one showing up. If, however, we invite our neighbors for a hike in the mountains, to a bonfire, or a quiz, the chances of success rise significantly. In social contacts, Norwegians may be afraid of uncomfortable silence. They may be unwilling to have casual conversations. One way to reach out to Norwegians is through purposeful activities. In my opinion, it is worth aiming high.

P.C.: Speaking about cultural codes, have you gotten used to the Norwegian way of praising for the little things?

J. S. B: It is worth noticing that Norwegians praise in this way mainly the type of behavior that brings social benefits. When you do something that benefits your entire group, e.g. the people in your street, then you will most certainly hear a few words of praise, such as 'du er så flink!'

P.C. You are right. Norwegian neighbors are usually very enthusiastic when it comes to gardening. If you mow the common lawn, you will hear more words of praise than if you won first prize in some competition.

J. S. B: Yes, this is the bottom line for one of the Norwegian cultural codes. When you take care of mutual space, then you contribute to ensuring comfort for others and for that, you will get praise. Then again, do not expect it for personal success, for example for a first prize in a competition. No one will praise you for that, and your attempt at trying to boast might not go well, either. In Norway, emphasizing personal success is considered unnecessary superiority, which does not fit the model of social equality.

P. C: In your opinion, is Norway a country for everyone? Who can easily find their spot here, and who will feel disappointed?

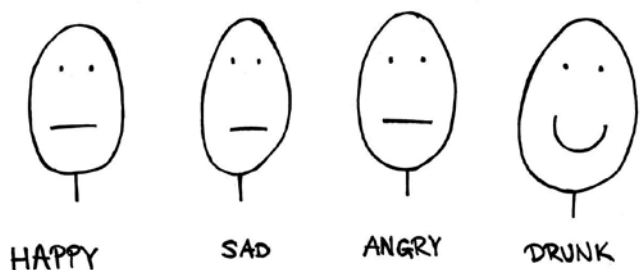
J. S. B: If you value peace, security and happiness, Norway is the place for you. Norwegians are happy, which is the one thing other nations can envy them. They do not compete much between each other, they are not overambitious. A different story is if you are a go-getter who cares about achieving over average results or a solid education for kids. Then Norway can disappoint.

P. C.: Please explain what you mean.

J. S. B: In Norway, you do not need to be exceptional; here, it is enough to be 'god nok'. I can see this based on university education. I have experience from a number of other countries, and in every single one there was an element of academic rivalry present, some pressure, which constituted motivation to achieve more. Surely, Polish people also know this feeling – a number of people applying for one spot and the awareness that only a small part of the group will receive a diploma. In Norway, on the other hand, you would need to try very hard to... get thrown out of a university. You can study for years, not be prepared for exams, have absences, and the system will forgive you almost anything.

P.C. Do you have any plans to write something that would be a satire on foreigners? Will there be something about Polish people there, too?

J. S. B: I have plans for next books, but I would rather not say what they are just yet. In the future, I would like to be more literal in my journalistic activity. After the publication of the first book, I understood that some readers only appreciated the outer humorous layer, without reaching the center. 'The Social Guidebook to Norway' is just a funny book to them. My agent gets phone calls from people who wish to order an 'entertaining' talk. In such cases, we explain that I am not a satirist and that a "julebord" talk will include jokes with a meaning. I have a knowledge on the problems of integration in Norway that I would like to share, and I take that task very seriously.



New minimum wages in industries with general application of collective agreements

The end of 2014 and the beginning of 2015 have brought big changes to the industries with collective agreements and minimum wages. After the pressure from trade unions, both the fish processing and electrical industries have accepted the claim for general application as regards pay. The Tariff Board (Norw. Tariffnemnda) has also set a new minimum pay for the construction, cleaning, agriculture and horticulture, as well as the shipping sectors.

General application

The general application of the collective agreement (*allmengjøring av en tariffavtale*) means that all or some of the resolutions of a particular collective agreement between the organizations of employers and employees will be stretched further onto all companies and employees of a given industry, and not just of the company and employees affiliated in organizations that signed the agreement. Most commonly, resolutions pertaining to wages take into account the general application, sometimes also regulations describing traveling costs, board and accommodation, as well as working hours.

The regulations on the general application of collective agreements in Norway began to take place after Eastern European countries joined the European Union and the EEA. This was done in order to prevent social dumping for employees from those countries, but also to protect companies and Norwegian employees from dishonest (according to trade unions and much of the Norwegian society) competition from foreign companies, which might offer lower prices thanks to lower labor costs.

Currently, the regulations connected with collective agreements have accepted the claim for general application in the following sectors: construction, shipping, cleaning, electrical, agriculture and horticulture, and fish processing.

Construction Sector

We have been dealing with general application in terms of minimum wages in the construction industry since 2006. As a rule, the rates were raised at least once every two years (in conjunction with the renegotiation of the collective agreement made every two years), and most commonly once a year on payment negotiations while the current agreement was still valid. In 2014 and 2015, minimum wages were raised twice within less than a half year, first on November 27, 2014, and then on May 8, 2015, which is a rather unique situation.

According to the current rates as per May 8, employees doing construction work should receive an hourly allowance of a minimum of:

- Qualified workers: NOK 187.80
- Unqualified workers without experience in the industry: NOK 168.80
- Unqualified workers with at least one-year experience in the industry: NOK 176.00
- Workers under the age of 18: NOK 113.20

Moreover, in the case of tasks commissioned by an employer and requiring staying over in a place outside of the place of residence, based on a separate agreement, the employer is obliged to cover traveling expenses (at the beginning or the end of commission), as well as the costs of traveling home.

Before the employer sends his employee on commission outside of the place of residence, the rules describing board and accommodation should be agreed upon. The employer should provide traveling allowance, return all costs based on receipts or in a different form as described in the contract.

The employer is obliged to provide employees with adequate protective clothing and footwear, in accordance with the season of the year and place of work.

The general application of overtime pay does not pertain to the resolutions of the collective agreement for the construction industry, so if there was no higher rate mentioned anywhere in the contract, the labor act's (arbeidsmiljøloven) regulations apply. According to § 10-6 (11) of the labor act, overtime pay requires that the employer pay the employee an additional 40% of the hourly rate.

Shipping Industry

As opposed to the construction industry, minimum wages in the shipping sector were raised on November 27, 2014, for the first time in over a year and a half (since March 2013), and are currently as follows:

Employees conducting production, assembly and installation work in the shipping industry should receive hourly pay, the minimum of which is:

- a) NOK 160.15 – for qualified workers
- b) NOK 152.85 – for specialists
- c) NOK 145.64 – for assistant workers

With the exception of employees hired/employed in the same place of work, in the case of tasks requiring staying over outside of the place of residence, there needs to be bonus pay on top of the hourly rate (Norw. *bortetillegg*), which is:

- a) NOK 32.03 – for qualified workers
- b) NOK 30.57 – for specialists
- c) NOK 26.97 – for assistant workers (*Bortetillegg* always constitutes 20% of the minimum hourly rate for each category of employees, but it is a fixed amount, i.e. even if an employee has a higher basic rate as stated in the contract, e.g. a qualified worker has NOK 200 an hour, *bortetillegg* is still NOK 32.03).

In places of work where there is shift work involved, there needs to be bonus pay to the hourly rate:

- a) Shift work – two shifts (36.5 hours a week):
First shift: until 2:00 pm on a Saturday – nothing
Second shift: NOK 17.69
In the case of shift work after 2:00 pm on weekdays, prior to Sundays and holidays: NOK 37.79
After 2:00 pm on Christmas Eve, New Year's Eve, Holy Saturday and Pentecost Eve: NOK 54.19.
For every hour of work after 00:00, there needs to be bonus pay as for the third shift.
- b) Shift work – three shifts (35.5 hours a week):

First shift: until 2:00 pm on a Saturday – nothing

Second shift: NOK 18.23

Third shift: NOK 27.13

In the case of shift work after 2:00 pm on weekdays, prior to Sundays and holidays: NOK 36,01

After 2:00 pm on Christmas Eve, New Year's Eve, Holy Saturday and Pentecost Eve: NOK 51.58.

- c) Continuous work – three shifts (33.6 hours a week):

First shift: until 2:00 pm on a Saturday – nothing

Second shift: NOK 19.32

Third shift: NOK 26.66

In the case of shift work after 2:00 pm on weekdays, prior to Sundays and holidays: NOK 41.06

After 2:00 pm on Christmas Eve, New Year's Eve, Holy Saturday and Pentecost Eve: NOK 58.87.

Working hours

The collective agreement for the shipping industry is the only one among all collective agreements that accepted the claim for general application, in the case of which regulations regarding working hours now pertain to all employees.

According to these, the basic working hours should not exceed 37.5 hrs in a week.

In the case of shift work, the following applies:

- Two-shift systems: an average of 36.5 hrs a week
- Three-shift systems: an average of 35.5 hrs a week
- System of continuous work: an average of 33.6 hrs a week

It is possible to set up different systems of working hours in accordance with the regulations from June 17, 2005, no. 62 on working environment, working hours and employee protection (labor law), chapter 10.

Overtime pay

Bonus pay, which constitutes 50% of the hourly rate, needs to be paid for overtime. For work overtime between 9:00 pm and 6:00 am, as well as for work on Sundays and holidays, there needs to be bonus pay, which is 100% of the hourly rate.

Agriculture and horticulture

The claim for general application of collective agreement for agriculture and horticulture differentiates between workers employed full time and those with only seasonal jobs.

The below rates were introduced on November 27, 2014.

Seasonal workers and assistant workers employed to help with e.g. harvesting should receive an hourly rate, which is at least:

- Employees between the ages of 16-17: NOK 89.65
- Employees between the ages of 17-18: NOK 92.65
- Over the age of 18 – employed for a period of 12 weeks: NOK 111.15



- Over the age of 18 - employed for a period of 12-24 weeks (3-6 months): NOK 116.65

Employees over the age of 18, employed for a period longer than 6 months should receive the same wages as unqualified workers employed permanently.

Permanent employees:

- Unqualified workers: NOK 129.30
- Workers between the ages of 16-17: NOK 95.90
- Workers between the ages of 17-18: NOK 99.90
- Bonus for qualified workers: NOK 10 an hour.

The 25% weekend and holiday bonus for employees working with breeding:

1. Between 1:00 pm on a Saturday and 0:00 on a Sunday
2. Between 1:00 pm and 0:00 on Christmas Eve and New Year's Eve
3. Between 0:00 and 0:00 during moveable feasts, as well as May 1st and 17th

Cleaning companies

Workers employed in private cleaning companies should receive hourly wages of a minimum of NOK 169.37.

Employees under the age of 18, employed in private cleaning companies should receive hourly wages of a minimum NOK 122.76.

Overtime pay

For work between 9:00 pm – 06:00 am, there needs to be bonus pay, which must be at least NOK 26 an hour.

The above rates were introduced on May 8, 2015.

Fish industry (fish processing)

General application in the fish processing industry was introduced in February 2015, based on laws of November 27, 2014. Only three months later, on May 8, 2015, the minimum wages were raised and are currently as follows:

- NOK 177.70 for qualified employees
- NOK 167.70 for production employees

Employees under the age of 18, performing above-mentioned work are to receive hourly wages, which are 80% of the minimum wage described above.

Employees over the age of 17, who have worked in a given company for 12 weeks, are to be rewarded according to the rate applicable to the group of workers they belong to.

Schoolchildren keep their privileges resulting from the employment period within the same industry, from one year to another. The period of employment, when they are still considered young, i.e. under the age of 18, is taken into account also after they become of age, i.e. turn 18.

In workplaces, where there is shift work, there needs to be bonus pay to the hourly rate described above, which is as follows:

- In the case of shift work, second shift with 20% of minimum wage
- In the case of shift work, third shift with 25% of minimum wage

The general application of the collective agreement for the fish processing industry comprises the following groups of employees: qualified workers and production workers, as well as persons performing other work connected with the fish sector: warehouse employees, transport workers, janitors, cleaners, canteen employees, craftsmen, persons working with repairing of equipment and appliances, work managers, instructors and freezer workers in fish processing plants.

Electrical work

The decision of the Tariff Board on the general application of the collective agreement for electricians took place in February 2015; it is therefore the latest resolution on general application. Those it encompasses are all employees within the field of electrical work, with the exception of electrical work connected with activity on the Norwegian continental shelf (research and extraction of oil and natural gas).

Employees performing installing, assembly or conservation works of electrical installations within automatics, IT, telecommunications, etc. should receive no less than:

- In the case of qualified employees performing work that requires permits: NOK 201.97 an hour.
- In the case of other workers: NOK 174.35 an hour.
- *Shift work*
- In the case of shift work, there needs to be bonus pay, which is:
- In the case of second-shift work: 17 % of minimum wage
- In the case of third-shift work: 27.3 % of minimum wage

The rates are applicable as of May 8, 2015.

Other resolutions

Working hours

As mentioned earlier, regulations pertaining to working hours have accepted the claim for general application only for the shipping industry. There is no general application for other industries, hence they follow the general rules as per labor law (40 working hours a week with full-time employment)

Traveling, board and accommodation expenses

In the case of tasks commissioned by the employer within the construction, shipping or cleaning sectors, and requiring staying over in a place other than the place of residence, the employer is obliged to cover traveling expenses based on a separate agreement (at the beginning or end of a commission), as well as covering the costs of traveling home.

Before the employer sends an employee on commission outside of their place of residence, rules pertaining to board and accommodation should be set up. The employer should provide both in the form of a fixed travel expense allowance, return of traveling expenses based on receipts or in other forms as per the contract.

Work shoes and clothing

The employer is obliged to provide appropriate work clothing and protective footwear in accordance with the season of the year and place of work.

Information and control rights and obligations

The employer is the entity responsible primarily for abiding by the terms of employment which result from the general application of collective agreements, but they are not the only one with rights and obligations:

- The person or firm employing a company / ordering work or services from the contractor or supplier is obliged to familiarize themselves with the regulations on general application.
- The main contractor of a given project is obliged to ensure that all the other subcontractors and sub-suppliers, right until the very bottom of the ordering chain, follow the general application rules.
- Trade union representatives at the main contractor's company can demand insight into working conditions and pay of the employees (also, of the employees of the subcontractors and sub-suppliers) performing work regulated by general application.
- The Norwegian Labor Inspection Authority (arbeidstilsynet) and the tax office (skatteetaten) also have the right to ensure that the regulations are followed.

Exception

The regulations quoted above are not applicable if an employee, based on an individual work contract or the legislation of the country they were delegated from, is covered by better work and pay conditions overall.

Before you start – what do you need to know before you open your own business in Norway?

Part III

More and more of our compatriots decide to open own companies along the fiords. Opening your own business seems to be quite simple, but the hardest part is not to register a new company but to survive on the Norwegian market. We present the third and the last part of information on the most important issues that need to be rethought before you start.

Company's name – basic requirements

Criteria of the selection of the company's name can be presented in the following way:

- Name should include at least three letters from the Norwegian alphabet,
- You can use just some of the specific signs as an addition to the letters (you cannot use f.e. “^”, “*” or “§”),
- Name cannot be limited to the name of country, province or municipality,
- Name cannot be identical with the already existing one
- Name cannot be misleading or evoking negative associations

What with the organizational form?

From the company's name, it must clearly result what type of business activity is run. Similarly to Poland, where to the name of joint-stock company there is added abbreviation “S.A.” (spółka akcyjna) and after the names of limited liability company there appears the abbreviation of “z o.o.” (spółka z ograniczoną odpowiedzialnością), in Norway the client or the contractor has to recognize at first sight with whom he has to deal with:

- Sole proprietorship must include first name and surname of the owner in the name (f.e. AK BYGG Anna Kowalska or Jan Nowak Renholdstjenester)
- Company's name: ANS, DA, AS nad ASA must include abbreviation from the specific activity form or its explication (accordingly “ansvarlig selskap”, “delt ansvar”, “aksjeselskap” and “allmennaksjeselskap”)

- Cooperative's name must include abbreviation SA or “samvirkeforetak”.

The right to name

Name is an extremely important element of company's business activity and company's image. Brand name recognized on the market can be worth more than company's material assets and that is why it can be a subject of conflict. For that reason, it is worth paying special attention while selecting a name, if the effect of our efforts does not resemble the name of already existing company or organization. If it does, we need to take into account the possibility of laying a claim by the earlier registered brand to the Norwegian Patent Office, which can be very expensive (some may remember a case of the Polish market, where the American giant has laid a claim to the court against a little Polish company because of name similarity). In order to avoid similar problems, we can check if someone already uses our potential name (or similar name) on the web site of the Enterprise Registry (www.brreg.no) or above-mentioned Patent Office (www.patentstyret.no).

It is a good idea to check in advance if we can register the Internet domain, which will include data of our company – Norid leads the registry for the Norwegian domains. If domain appears to be available, we need to remember that the contact person using this domain needs to have Norwegian correspondence address, position or at least connection with our company and the company itself needs to be registered in Enhetsregisteret.



If we want to have an exclusive right to name, first step it to register company in Foretaksregisteret. It will make impossible for other enterprise to register the same name, even if it will have the other organizational form (the exception is the sole proprietorship – Anna Kowalska from the company AK BYGG Anna Kowalska cannot keep Arne Kristiansen from register his company under the name AK BYGG Arne Kristiansen). Registration in Foretaksregisteret does not protect us from registering a similar name, even misleading one – if Anna Kowalska would like to establish a company under name AK BYGG AS, the other person could without any problems register a company under name A&K BYGG AS. If Anna Kowalska would feel threatened by the perspective of confusing those two companies, she could lay a claim to Patentstyret. In addition, if we are afraid of such situation, we can register a company's name as a brand. Prices for patent reservations in the Patent Office start from 2900 NOK and the patent protection lasts for 10 years.

Registration of the employees and contracts

Before establishing a company, we need to be conscious that our employees cannot go to Norway on the spot- in order to accomplish job in Norway they will need to have the Norwegian personal number (permanent or temporary) and, in case of longer stay than within three months – registration of their stay at the Police. In order to get the personal number

they will need to go to the local Tax Office, in order to get confirmation of registration (Registreringsbevis) they will need to register themselves on the UDI web site and afterwards go to the Police office for control. Our employees are not the only the who need to register their stay in Norway – this duty relates to entrepreneurs as well. As citizens of EEA we don't need to get permit for stay and work, but in case of longer stay than three months, the registration procedure through UDI web site and going to the Police office or special office for foreigners is as well obligatory. All of the contracts, which will be accomplished in Norway or on the Norwegian continental shelf, need to be reported to the Tax Office on the forms RF-1199 within 14 days from the contract start date. It needs to be done even if the taxes do not need to be paid in Norway. This duty does not concern our company in two situations:

- when the customer is a private person
- when the contracted amount does not exceed 10 000 NOK.

As we can see, there are many issues that need to be taken into consideration before establishing a company in Norway. The establishing procedure itself is not so complicated, however, the procedure does not decide about the success of our company, but the good preparation. If you plan everything before you start, you can raise your chances for success.

VAT – a duty of each entrepreneur in Norway

If you own a company in Norway, you have to get some knowledge about the VAT as well. Payment of VAT will be one of your most important duties. It is worth checking the changes in the law regulations in order not to get in conflict with the Tax Office.

VAT (Value Added Tax, Norw. Merverdiavgift – MVA) is called as well the goods and services tax, it is the tax which we pay from the added value. It means that it is added to the purchase value and gets to the end-receiver, that is the buyer. It is counted from the added value in the commodity circulation. VAT includes among others: delivery, imports and exports of commodities. VAT is extremely important for the national budget – income for 2015 from this tax is estimated to around 256 billion NOK.

Duties of the entrepreneur

Entrepreneurs in Norway are required to start paying the VAT after exceeding 50 000 NOK of turnover within 12 months. Then they need to issue an invoice with added VAT and register the company as VAT payer. In this case, at the moment of the annual tax assessment with the tax office, it is possible to deduct this amount. Below you will find the deadlines to pay VAT:

Deadlines of VAT payment:

10 april:	1. deadline to pay VAT (january, february)
10 june:	2. deadline to pay VAT (march, april)
10 august:	3. deadline to pay VAT (may, june)
10 october:	4. deadline to pay VAT (july, august)
10 december:	5. deadline to pay VAT (september, october)
10 february:	6. deadline to pay VAT (november, december)

Payment chain

From the 1st of January 2005 the following VAT rates have been established: 25% for goods and services, 15 % for the foodstuffs and beverages, 8% for cinema tickets and entrances to the museum, letting the hotel rooms, passenger transport services, etc. In the case of domestic sales, VAT is calculated on the sales price, and in the case of imports, it is calculated on the customs value.

VAT is calculated at all stages of the so called «supply chain». As a matter of fact it means that before the end-receiver gets his good, each sale's stage is imposed to such tax, so each middleman in the chain imposes own VAT tax and each receiver is obliged to pay it. VAT tax is calculated regardless of the type of trade – with the individual customer or the entrepreneur.

VAT is also paid from the goods or services, which serve as the whole or partial salary in exchange for other goods or services. The exchange of goods or services is as well recognized as the «supply chain». If we exchange service for service, VAT is calculated for the both sides of transaction.

VAT electronically

Reporting of the VAT on paper will soon be completely replaced by the electronic reporting. Even now around 99,5% of the taxpayers report electronically which improves work of the tax office. In the year 2016 the Norwegian state will impose an obligation on the taxpayers to report VAT only electronically.

From 1st of January 2015 the limit for not paying VAT while importing the goods has been arisen to 350

NOK. Unlike the earlier regulations, now the costs of transfer and insurance are as well included in the price of goods' value.

Moreover, in the year 2015 there have been changes in regulations on calculated VAT from the purchase of passenger car. Persons running own businesses, who purchase passenger car for the purpose of business use, for renting or transporting people, have as well the right to deduction. Before changes, selling or transferring of the ownership rights within three years gave possibility of proportional deduction based on line depreciation. At the moment, changes mean that the vehicle must be possessed by the seller

within the period of at least four years in order to get full right to deduction of calculated VAT.

At the same time the new act has gone into effect, which imposes obligation on the VAT payers of storing the whole accounting documentation within the period of five years in case of possible controls.

Fortunately, Norway is one of those European countries, in which the principles of VAT payment are quite legible and easily accessible. More information on VAT you can also find on the web site: <http://www.skatteetaten.no/en/Bedrift-og-organisasjon/Merverdiavgift/>.



Norwegian economy slowing down

Lower budget revenues, higher unemployment and questions about the best economic solutions when situation on the global market is changing. In 2015 Norwegian economy is facing many challenges.



@gunnar3000

2015 will not be remembered in Norway as economically successful year. As economists and advisers of the biggest banks in Norway predicted by the end of 2014, 2015 is a difficult test for economy. This is due to several factors, the most important being drop in oil prices on world markets. In June 2014 one barrel cost 115 USD, now just 45 USD. International Energy Agency (IEA) considers that the main reason is great oversupply of oil on world markets and expect prices to be low for the next few months. It's bad news for Norway. A few thousand people employed in oil industry lost their jobs since the beginning of this year. Since oil industry is one of the most important sectors of Norwegian economy, it has a great influence over the entire Norwegian market.

Disturbing 4,2 %

For the first time since 2005 unemployment in Norway exceeded 4 %. Over 117 thousand of unemployed is a high rate for the country with the population of 5 million, especially because many of them are well-educated specialists who can expect that their new employers will offer them proper wages. Until that happens, they will receive high unemployment benefits, which is not without significance for the budget.

Higher unemployment is always a difficult situation for people who are new on labor market, have low qualifications and experience. Two groups that are most vulnerable to economic changes are immigrants and young people. 7000 new unemployed from January this year are a big challenge for NAV. As there are more cases, queues in NAV are already longer than usual and, since NAV has more areas to take care of, processing of all cases may take more time.

More expensive shopping, books

Present economic situation is not without significance for inflation rate, which in the last 12 months was 2,6 %. Norwegians pay more for food and drinks as well as transport and culture. We pay more than in 2014 for f.e. plane tickets and transport of goods.

People who get their earnings in NOK have also more expensive holidays. Norwegian krone is now weaker in relation to the most important currencies: euro and dollar. In the interview with website E24 Knut E. Sunde from Norsk Industri described situation on currency market as 'chaotic'. Weaker krone is good news for Norwegian exporters, bad for average citizen, planning to go on vacation to other countries. This year average Nordmann can buy on vacation even 10 % less than last year.

There is no crisis

Lower economic growth doesn't necessary mean we have crisis. Norwegian economists and among them analysts from DNB Market point out that many highly developed countries will have slower economic growth in 2015. Japan, US and Great Britain (among others) also go through similar difficulties.

On the 7th July Erna Solberg said in NRK television program, that Norwegian economy is always well prepared for restructuring and it will be able to change direction if needed. According to Norwegian prime minister in the future will state economy be able to stay in equally good condition.

Also Minister of Finance Siv Jensen calms moods. Year 2016 should, according to her, bring economic recovery and better finance results. Leader of Progress Party points out that even if income from oil falls, use of these resources in the state budget will increase. There is no fear that money in the state treasury will run out.

Words of both ministers can be supported by the recent growth in health industry. After a long period with problems it looks like fortune has changed and better days are coming. Thanks to various grants not only can Norway develop research that becomes famous in the world, but also create new start-up companies (right now there are over 500 such entities registered) and new jobs. Many specialists see Norway as a future medicine hub with great perspectives.

There is unrest

Avarage Norwegian citizen is less optimistic than government though. This year number of people worried about economic stability in the future has increased.

According to survey conducted by Momondo, this year, for the first time since 2010, Norwegians are going to spend less money on vacation than they did previously. People between 33 and 45 years become most skeptical and thrifty. During last months over half of Norwegians started to be more cautious about household expenses. The biggest fear is that, in case macroeconomic indexes were to go down, it could be impossible to pay back liabilities in banks.

Today, however, there are no reasons for such fears. Norwegian economy has indeed slowed down, but this vehicle is still a solid, well-oiled machine on four wheels, that confidently holds up to its fixed path.

Ravage Rose a.k.a. Trondheim's rock revelation

Ravage Rose first appeared on the Trondheim music scene in the spring of 2013. Since then, they've been churning out singles, one after another, and performing live at various local events. Their popularity grows and they are open to new audiences. The band's founder and leader, Lucky, says that whether you're a fan of classic rock or some lighter music genres, or even a newcomer to the city, you're welcome to take part in their journey. They go beyond any limits. See for yourselves.

Joanna Czyżewska: Your band, Ravage Rose, has been around for two years now. Take me back, how did it all start?

Lucky: Well, I'd had the idea for a band for a long time, but where I come from in the south of Norway, there was no one around to form a group with. So then I moved to Trondheim to meet different musicians and have more opportunities for growth. I had a choice between Oslo and Trondheim, and the latter seemed like a good idea - this is an exciting town and I've already lived here for 8 years. Since moving here and forming the band, band members have changed a number of times. We seem really happy with the way things are shaping for us now.

J.Cz.: Why the name – Ravage Rose? Was it your idea?

Lucky: The name had more to do with playing around with words rather than having some significantly deeper meaning. There is a Danish band called Sav-



age Rose, so obviously there was no talk of doubling that. The name is also original in terms of grammar; we thought it was catchy enough, so we kept it.

J.Cz.: What about your nickname? Where does that come from?

Lucky: Well, there is a similar story here, too. It was a play on words, it wasn't meant to be that serious. Also, it is loosely based on my last name – Løkketan-gen. It seemed to work, so why not use it. I decided to take advantage of my poetic license (laughs).

J.Cz.: How would you describe your band's style and is there a particular audience you're aiming at as an artist? This is particularly important to me as an immigrant - are you only interested in reaching a local rock audience, or are foreigners also part of the picture?

Lucky: We're a rock band. Our main influence is 80s rock music, but we added our own style to it. We

wanted to embellish on that a little, not necessarily leaning towards something heavier, but just making it more modern. In fact, our lead singer, Miriam Labreche, adds a different, warmer feel to the band with her classical training, plus the more soul and R&B quality in her voice. Although I myself am incredibly melody-driven, we're more of a vocal-based band, and we're very lucky to have Miriam on the team. Thanks to her, if we wanted to play a Celine Dion song during our acoustic performances, we could...how many other rock bands could do that? As for the audience, it is very nice to hear that we have fans from many walks of life, not just one category of people. There are already a lot of metal and rock bands here in Trondheim, and to be able to go beyond that is also very good for us. In addition, Miriam, with her style and personality, helps us in obtaining a wider audience. Foreigners are very responsive to local influences, and that's great. I can also relate as I am the only member of the band not originally from Trondheim. We obviously encourage everyone to listen to our music and it makes us incredibly happy when different people come to see us play live.

J.Cz.: You write your own material. How do your songs come about - do the lyrics come first, or is it the melody? Is the process a mutual effort on the part of everyone in the band?

Lucky: It has always been easy for me to write, it's like I carry melodies inside of me all the time and there's always music around. I appreciate a good melody; so much in fact, that I believe it is actually more important than guitar riffs, etc. There is never a time when I don't have some kind of an idea for a song, but it's usually me who writes the lyrics, sometimes Miriam and I work with melodies together.

J.Cz.: What and who is your main source of inspiration?

Lucky: Obviously music comes first, but (and this may sound funny!) I find the greatest inspiration in how bands are run – the business model of it all, the practical approach, the technical stuff. Groups such as Triosphere or Keep of Kalessin, both originally from Trondheim, are a huge inspiration in that respect. As the founder and leader of a music band myself, I also perform the role of the manager, so I really need to be entrepreneurial-minded and stay on top of things in the business sense. There is always someone who needs to have control over what's happening and the direction in which things are going. If you hand over that control to too many people, you get chaos.

J.Cz.: What does your typical day look like? Are you only in the studio, writing and recording, or is each day completely different?

Lucky: Well, until a year ago, I had a regular job. Music has always been number one, but I simply didn't have the time to focus on it 100% as I would have liked. It was more about spending just 3 to 4 days a week in the studio. Now things are very different. Everything revolves around music. If I'm not busy with managing the band, I'll be sitting there writing songs, strumming the guitar, playing the piano, taking care of bookings – I literally deal with everything, but have no special routine. It's all about focusing on the band and the business side of things, and I enjoy it immensely!

J.Cz.: What aspects of your work are the best, what is the most rewarding?

Lucky: Believe it or not, but this is a fairly difficult question (laughs). Contrary to popular belief, this is a tough business, where the practical aspects very often outweigh the passion for what you do. You have to be careful not to let them take over entirely. Obviously, making music is the best thing about what I do, being around music, producing, working with the band. And performing live, definitely! It's a wonderful thing to experience because we get to see the results of our hard work. You cannot really compare it with anything else when you put yourself out there and have people respond positively to you. A good audience is incomparable!



J.Cz.: What are some of the biggest challenges you've encountered in this profession? What do you personally find the most difficult?

Lucky: The biggest challenge is that there is not a huge fan base in Norway, simply because there aren't that many people here. Also, the type of music is further away from what people are used to listening to over here. But we have proved that you do not necessarily need to fall under one category with everyone else... and we're proud of who and where we are!

J.Cz.: What would you say is the most important factor in achieving success in the music business?

Lucky: I would say it's being original, 'shareable' is my favorite word in this context. By that, I mean being able to get people to not only click 'like' on Facebook, but to actually have them really follow the band. This is what allows musicians to achieve real success. As for other factors that can help you achieve success in music, well, having money can't hurt... (laughs).

J.Cz.: You guys seem to make a good team professionally. Did it come naturally; are you also friends in everyday life?

Lucky: Yes, we are friends and I think it's of paramount importance as it helps us to have a good time while working and, in fact, makes it seem less like work. So all those long hours in the studio or doing all the things that are really hard work, and only the final result of which people are going to see, seem worthwhile.

J.Cz.: You've done a number of gigs so far. Do you have a favorite place where you like to perform?

Lucky: The performance that really sticks out in my mind was at Studentersamfundet in Trondheim. We played there about a year ago, and it was the best we've experienced. Everything was already prepared, and there was really high-quality equipment there, too. We didn't need to think about anything else other than giving a good performance. It was fun and a pleasure to play there, and hopefully we'll get a chance to do it again.

J.Cz.: This life is not always easy and must have its pitfalls. What is your source of strength then, what makes you stick it out?

Lucky: I think it's the fact that I just don't care (laughs). I know it may sound a little cold, but I think it's a healthy attitude to have. As long as I know we did a good job and gave our all, I'm fine. I tend not to dwell

on difficulties or focus on obstacles, but rather try to come up with solutions and conclusions instead, to learn from what went wrong and fix it next time. It's this inner strength and maturity that's helped me on many occasions.

J.Cz.: What does music mean to you?

Lucky: It's something that has always been around and it is my life, but I have to say the way I enjoy music now and, say, 10 years ago has changed drastically. It may seem like a contradiction in terms, but the more I deal with music, the less time I have to actually enjoy it. When something becomes the only thing you do, you realize the many aspects there are to it, and it's very often hard work rather than sitting there and listening to a good song. Let me put it this way - you have to stay so focused on making that good song, that the satisfaction comes later. I still enjoy a good melody, though.

J.Cz.: Why do you think Norwegian music has become so popular?

Lucky: If you stop and think about it, you'll realize it all has to do with marketing. This goes for all Scandinavian bands, including the Norwegian ones. Record labels have tried very hard to market their bands remarkably well, but also often in a similar way. Another thing you have to factor in is that a number of bands can be signed to one label that has a similar way of marketing them just because it seemed to work before. Again, it all boils down to marketing.

J.Cz.: What are your goals for the future?

Lucky: Putting out more singles is definitely at the top of our list of priorities. We would like to be ready with each consecutive song within a matter of weeks. There's no time to waste, we don't want the process to take years. Another goal is to increase our area of influence and reach audiences outside of Norway. Our dream would be to achieve that in the fall of this year. It would be great to have fans in other countries, e.g. Germany or even all over Scandinavia. Furthermore, we would be keen to connect with other musicians and start various collaborations. We are very open to any suggestions and offers, and as the history of music has shown, much good can come from such joined efforts.

J.Cz.: I hope that your fans also include rock enthusiasts from Poland. Good luck in fulfilling your dreams!

Dress code in Norway

At work, not only do you represent yourself, but you are also the face of the company. Although in Norway the dress code is less formal than in other parts of Europe, certain requirements still apply.

The Norwegian billionaire Olav Thon, the owner of a hotel chain, among others, and a business role model for many, is known for showing up for formal meetings in his red wool cap. He has made it his trademark. Thon has taken a liking to colorful ties, scarves and bow ties, and he considers 'layers' the best way to dress. He does away with all of the dress code's norms, and he most certainly does not care. And he is not the only one. In Norway, you do not need to have billions in your bank account to wear whatever you want to work. A formal dress code is essential in only a few industries, and allows for a number of exceptions to the rules.

Respectfully Towards Norms

A dress code is a set of rules describing what we should wear in various situations. It is a sign of respect towards other people and norms based upon tradition. Some of them can have a **cultural background**, **others – religious**, and yet others could be the result of **practical principles** accepted in a given place. Learning the unwritten rules pertaining to a dress code is usually part of socializing and happens intuitively – we recognize differences between casual, everyday wear and elegant clothing; we see there are occasions to which we must wear a different, especially suited outfit.

For Work

Formal dress code has in recent decades become even more formal worldwide. The rules connected with an appropriate outfit have found their way into work contracts or job interviews. The most formal in terms of dress code are these businesses: **financial advisory services, banking and legal advisory services**. The closer an employee is to the customer, the bigger the chances that the employer will want them to wear a particular outfit, be it a unified work uniform or a certain set of elegant clothing.



@logoff

A number of corporations have introduced 'casual Friday', allowing for exceptions to the dress code rule. Persons who do not have direct contact with the customer can wear jeans then, or sports shoes, as well as not having to wear a tie or a skirt that is so long or has a particular cut.

Norwegian 'Cool'

In Norway, as in other parts of Scandinavia, the dress code is not too formal. For special occasions, such as weddings, bank holidays, christenings or baptism, Norwegians usually wear their national costumes. Birthdays, namedays or company parties require a half-formal outfit – women can get away with just an elegant dress, and men need a nice shirt.

The Scandinavian 'cool' is explained by the common **egalitarianism**. Being different by wearing a sophisticated outfit is deemed inappropriate, as is wearing expensive jewelry or other accessories. Fashion experts provide yet another explanation – in Scandinavia, an outfit should, above all, be **practical** and in tune with the quickly changing weather. No guidelines will be any good when it is windy and rainy outside. In difficult weather conditions, a good, solid raincoat and thermal underwear will work much better than a smart two-piece.

'No Overstatement' Rule

During a job interview, it might be a good idea to ask if there are particular rules pertaining to the dress code within the company. While going to a business meeting, it is good to look smart, but also not to overdo it with the elegance factor. In addition, as in any other area that requires etiquette in interpersonal contacts, it is definitely worth observing others and taking their good example.

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