



FINANSDEPARTEMENTET

Business opportunities in Norway

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Globalization

- The world is becoming more closely integrated
- Norway is one of the most globalized countries in the world
- Increased opportunities for developing countries

Challenges for Norway

- Increase the efficiency in the overall economy
- Each business and industry must
 - improve competitiveness
 - develop new ideas and profitable businesses
- The State must facilitate this by
 - an efficient public sector
 - a good general framework for industry and commerce

The Government emphasise

- Modernising the public sector
- Reducing the tax level
- Effective competition
- Innovation policy

Modernisation of the public sector

- The labour force growth will not maintain
- More and better public services call for improvement of such public services
- The Government have therefore implemented a public sector modernisation programme

The tax policy

- Reducing the level of direct and indirect taxes
 - We have already implemented significant tax reductions
- The design of the tax system as such
 - The Skauge-committee submitted its recommendations in early February

The competition policy

- To safeguard flexible markets and improve the scope for reorganisation in trade and industry
- To prepare the ground for real competition through well-designed regulations and effective supervision
- The Government adopted a competition policy action plan in November 2001

Reduced and Improved State Ownership

- Ownership and forms of business organisation affect the competition, influx of capital and competence
- There are benefits of reducing the State's ownership interests in a number of companies
- A number of companies have been converted to public limited companies, partially privatised, listed on the stock exchange, or fully privatised

The innovation policy

- A policy to generate economic growth through invention and innovation
- The State will contribute with a commitment to education, research and development
- Each business has a primary responsibility for innovation, reorganisation and an entrepreneurial spirit

Challenges Facing Sectors Exposed to Foreign Competition

- Weak international demand
- High wage growth
- High interest rate
- Appreciation of the krone