

How to start your business in Norway

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For CPN seminar



Chinese Professionals in Norway
中国旅挪专家学者联合会

Background

- **Education:**

- Bachelor and Master in China in Hydraulic Engineering and Hydropower
- PhD at NTNT in Trondheim on Urban Flooding Risk Management

- **Working:**

- 1984-1997, China in a Hydropower plant and university
- 1997- 2015, Norway at University, Governmental and research

Institute

- 08.2015 - , started CSDI

- **Areas**

Water, Hydropower, Dam safety, Flooding, Climate change,
Adaptation

What is an Entrepreneur?

- A starter and creator
- A driver and in charge
- Accountable and responsible
- Assuming risk for the sake of profit, with passion, internal fuel and stamina

- Kristian Aartun, who started at age 13 to work at a radio station and newspapers, and more

Workshop on Entrepreneurship and Innovation, CPN
October 2015



Doing by yourself



**If you want to know the taste of a PEAR, you must taste it yourself!
- Chairman MAO**



Outline

1. How to choose a form of an organization
2. Registration process
3. Introduction of CSDI and Plan for future development, in collaboration with CPN.

Part 1. How to choose a form of your organization?



Form of organization

- Sole proprietorship* *
- Limited company (AS)**
- Partnerships (ANS/DA)
- Cooperative societies (SA)
- Association
- Foundation
- Public limited company (ASA)
- Norwegian-registered foreign enterprises (NUF)
- European Company (SE)

More information:

<https://www.altinn.no/en/Start-and-Run-a-Business/Before-start-up/Choosing-an-organisational-structure/>.

- Enkeltpersonforetak **
- Aksjeselskap (AS) **
- Ansvarlig selskap (ANS/DA)
- Samvirkeforetak (SA)
- Forening
- Stiftelse
- Allmennaksjeselskap (ASA)
- Norskregistrert utenlandsk foretak (NUF)
- Europeisk selskap (SE-selskap)

Mer:

<https://www.altinn.no/no/Starte-og-drive-bedrift/Forberede/Velge-organisasjonsform/>

1. Sole proprietorship (SP)

- A sole proprietorship (Enkeltpersonsforetak) is a form of incorporation in which a *'physical person'* is liable for a [business](#). This means that he or she is financially liable for all the enterprise's liabilities and obligations.
- The owner of a sole proprietorship is not obliged to set aside funds for the enterprise, since he or she is personally liable in any case.
- The owner decides everything to do with the enterprise. There are no separate acts of law regulating sole proprietorships.
- Basic requirements:
 - The owner must in general be of age (18 years).
 - He or she does not have to be a resident of Norway. However, the enterprise is required to have an address in Norway.
 - Exceptions: (1) 15 years - The guardian may with the consent of the County Governor give permission that a minor who has turned 15 years, may operate a specific business activity. The minor may only conduct business in a sole proprietorship.

What name can you choose?

Generally, these requirements apply when choosing the name for your enterprise/incorporation:

- At least three letters from the Norwegian alphabet
- Only certain defined symbols can be used in addition to letters
- The name cannot correspond to the name of the country, county or municipality alone
- The name cannot be identical to a registered name
- The name must not be potentially misleading or provoking
- The names must always include an indication of form of incorporation(AS, DA, SA etc.)
- **In the case of sole proprietorships, your last name/family name must be included in the full name of registration**

Obs:

1. *In addition to the formal name of the enterprise you may choose to use a separate marketing name (virksomhet)
2. Even if you meet the above requirements and the name has been approved by the Register of Business Enterprises, other business owners can complain to the Norwegian Industrial Property Office (NIPO) if the name you have chosen can be confused with their enterprise name or trademark. It is also in your own interest to choose a name that is unique and avoid confusion with other business enterprises.
3. More information of the names: <https://www.altinn.no/en/Start-and-Run-a-Business/Before-start-up/Requirements-for-the-name/What-name-can-you-choose/>.

Registration

- You must register your company in the **Brønnøysund Register Centre (BRC)**. If you register with the Coordinating Register for Legal Entities only, nobody will assess the name you choose for your enterprise.
- Register with the **Register of Business Enterprises (RBE)**, you risk that the name under which your business is known will not be approved in the Register of Business Enterprises. Not only that, but others may register with the Register of Business Enterprises before you do and have first claim to a name that can be confused with yours.

* If you have found a particularly good and catchy name, it may also be wise to seek immediate protection by registering your entity with the Register of Business Enterprises.

Sole proprietorship (SP)

Advantages

- No requirement for set aside fund for your company
- Less formalities than other types, such as AS
- You decide everything in the company

Disadvantages

- Personal liability for debts
- Net profit is liable for tax (including salaries)
- Net loss can apply for tax deduction
- You must cover your sick money (e.g. salary) by your own (*check the rules!)
- You cannot apply for the national rules for travel refund (reiseregning), only the real cost will be refunded.
- Make your own agreement regarding working insurance in case of accidents, pension, etc.

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2. Limited company /Aksjeselskap (AS)

- In a limited company, (**none** of) the owners (share holders) have any personal liability for the enterprise's liabilities. In principle, the owners of a limited company (the shareholders) can only lose the share contributions each has made to the company. Creditors can only file claims against the company.
- Limited companies must have as a minimum a share capital of **NOK 30,000** in total. The share capital contributions must be confirmed by an auditor or a financial institution.
- It is possible to establish the share capital by assets (contribution) other than cash: (1) Only assets that can be recognized in the accounts can be used as a contribution. (2) It is required that these assets are needed in the business.
 - * **The timing of the valuation may be no earlier than four weeks prior to the formation.**
 - * **A single person can also create a Limited company.** it is basically regarded as an ordinary employment relationship where ordinary employer duties are applicable.

Foundation of a limited company

- Those preparing to start a new corporation (founders) must undergo some formal procedures before operations begin. The purpose of the formal requirements is that finance, rights and responsibilities are clearly agreed among the founders, and customers and suppliers are provided satisfactory security.
- A limited company is founded by the founders creating, dating and signing a **memorandum of association** which shall include statutes, composition of the board, leadership and choice of auditor.
- The limited company is established when all the founders have signed the memorandum of association. There is no requirement that the founders must meet to sign the document. The memorandum of association may well be forwarded between the founders.

Other issues

- **Sole shareholder company**
 - A single person can own all the shares in a company, being the only board member or general manager and the only employee.
 - When a shareholder is employed in its own limited company, it is basically regarded as an ordinary employment relationship where ordinary employer duties are applicable.
- There are strict rules regarding how much of the shareholders can withdraw money from the company in the form of dividend. Shareholders, who work for the company themselves, can take out ordinary pay for the work they do.

Part 2. Registration



This information is not available in English.

You may find relevant information in the section [Doing Business in Norway](#)

Otherwise check out the [A-Z-index page](#)

Samordnet registermelding - registrering av nye eksisterende foretak og enheter (BR-1010)

Gjennom tjenesten for elektronisk registrering kan du registrere nye enheter i Enhetsregisteret, Frivillighetsregisteret. Du kan også foreta registrering i Merverdiavgiftsregisteret, NAV A



Mange opplever for tiden problemer med tjenesten når de bruker Internet Explorer. Vi anbefaler vi at du bruker en annen nettleser.



Samordnet registermelding

Go to the service at Brønnøysundregistrene

Registration of an incorporation



- Video:

<https://www.youtube.com/watch?v=ojoCirGzU78>



Learn more

- <https://www.altinn.no/en/Start-and-Run-a-Business/>

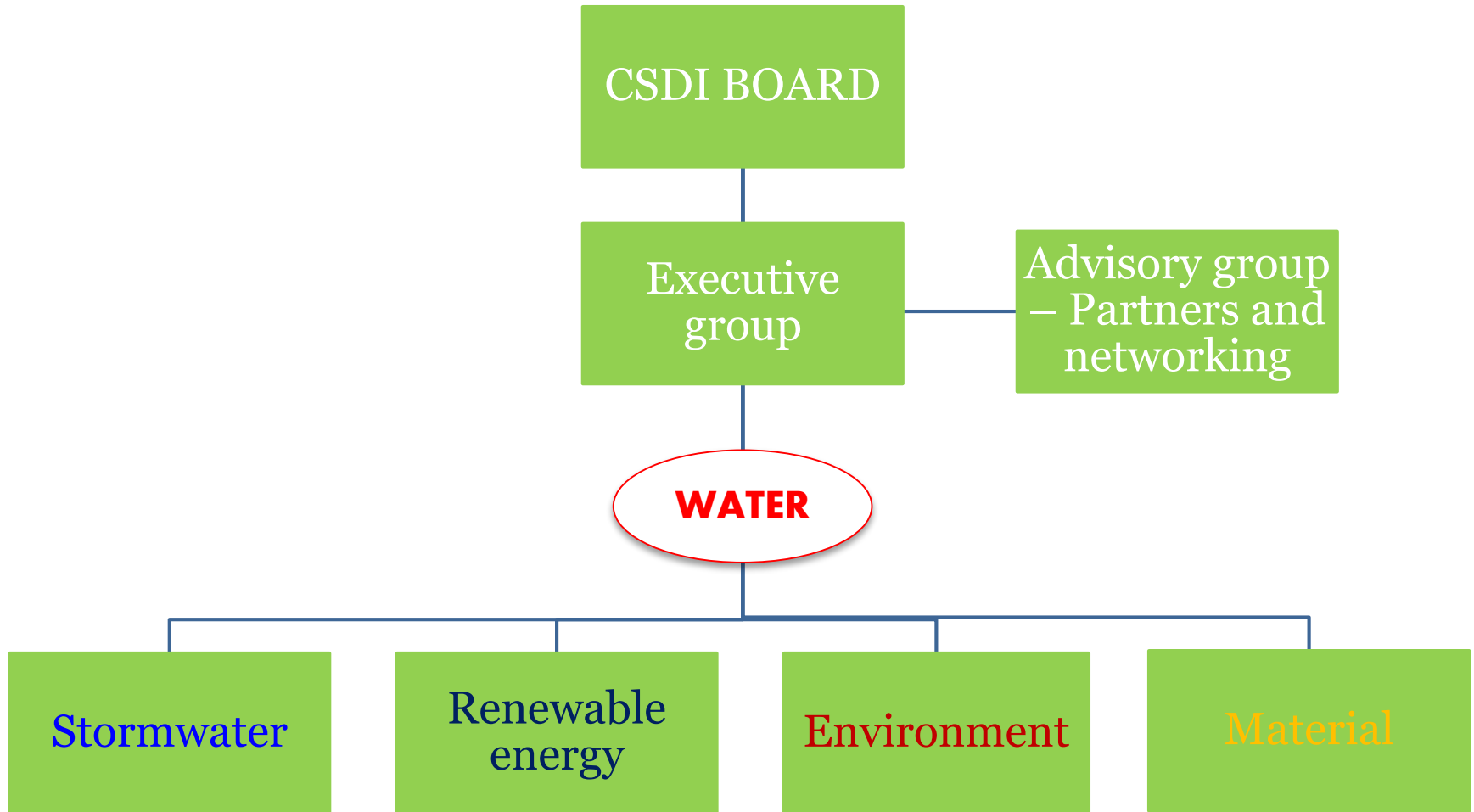


Part 3. CSDI

About CSDI

- Centre for Sustainable Development and Innovation of Water Technology (CSDI).
- CSDI is a non-profit organization based in Norway. It was established in June 2006 as a sole proprietorship; terminated during 09.2008-05.2015, re-started in 2015.
- **Primary goal** of CSDI is to contribute to societal safety and better quality of life through sustainable development and innovation and dissemination of **water** technologies in the areas of **Stormwater management**, **Flood Risk management**, **Renewable energy (mainly Hydropower)**, **Environmental protection (water quality and pollution control)** and **Material science (Hydraulic material and nanomaterials)** and contribute to the collaboration between China with Norway and EU countries.
- www.csdi.no (under development)

CSDI ORGANIZATION



ACTIVITIES

- Coordinate and participate in R&D projects;
- Provide training courses within our expertise areas;
- Organise seminars and workshops within our focal areas.
- Establish networking for both advanced and young professionals and university students;
- Establish a multicultural exchange base for visiting professionals and students staying in Norway

Plan of the next step

- H2020 proposal for 2016 and 2017
- Proposals to RCN
- Apply support from IN
- Municipalities and Norwegian Water
- Participate in on-going projects
- Participate and organise seminars
- Extend our networks

TEAM UP


- We expect more CPN members and scientists in other associations to use CSDI as a platform to develop your proposal ideas and career at different levels.



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Good luck for your dreams and business!





Thank you very much for your attention.
We look forward very much to collaborate with
you on proposals.

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