

Exporting to Scandinavia

A Guide for Exporters from
Developing Countries



Norway

Sweden

Denmark

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Exporting to Scandinavia

Foreword

The Millennium Development Goals, which were agreed upon by the 176 Heads of State and Government during the United Nations' Development Summit in New York in September 2000, have established a global agenda to reduce poverty. As members of the UN, the Scandinavian countries have committed themselves to striving to achieve the goal of halving poverty in the developing countries by the year 2015.

Development of the private sector in the developing countries, and growth in their trade, are of paramount importance for poverty reduction in the third world countries. The industrialised countries are working at several levels to facilitate developing countries' access to their markets.

However, the obstacles for developing countries are numerous. Rules and regulations are complicated and many countries are not yet in a position to profit from the competitive advantages that they have acquired, for instance through the preferential customs schemes.

The Scandinavian countries have a long tradition of promoting trade development in developing countries and involving their own business community in the process. For many years Denmark, Norway and Sweden have had import promotion activities directed towards exporters from developing countries wanting to enter the Scandinavian markets. This has resulted in an ongoing cooperation and coordination of these activities among the Scandinavian countries.

This cooperation makes sense as the Scandinavian countries – if looked upon individually – are small markets, but with many similarities. Apart from the many linguistic, cultural and historical similarities, the social welfare development in each country makes it relevant to talk about a Scandinavian model of society that is unique at the international level.

Business culture, consumption patterns and consumer preferences are basically similar. Although Norway is not a member of the European Union – unlike Denmark and Sweden – Norwegian legislation is to a great extent harmonised with EU legislation, thus facilitating one Scandinavian market.

The purpose of this guide is to provide exporters in developing countries with an overview of the various issues that they will most likely encounter when setting up an export business in Scandinavia. The guide provides basic information about Scandinavia and the Scandinavian market as well as reference to numerous sources for in-depth information.

It is the hope of the authors that this guide will pave the way for exporters in developing countries wishing to enter the Scandinavian market with its 19 million consumers.



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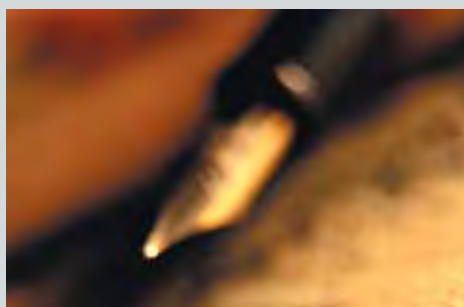
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Exporting to Scandinavia

Scandinavia at a glance



Denmark



Norway



Sweden

Government	Liberal Party and Conservative party	Labour coalition with Socialist Left + Center Party	Social democrat party
Constitution	Monarchy with a multi-party, parliamentary democracy. Queen Margrethe II	Monarchy with a multi-party, parliamentary democracy. King Harald V	Monarchy with a multi-party, parliamentary democracy. King Carl XVI Gustav
Population	5.3 million	4.6 million	9.0 million
Number of households	2.4 million	1.75 million	n.a.
Population density	123 inhabitants/km ²	12 inhabitants/km ²	22 inhabitants/km ²
Area	43,095 km ²	385,155 km ² , incl. Svalbard 61,020 km ²	449,664 km ²
Climate	Four distinct seasons. Country averages: July: average max. temp: +19.8°C, min. temp: +11.5°C. January: average max. temp: +2.0°C, min. temp: -2.9°C. Snow from December to March (average number of days 30). Annual precipitation: 712 mm	Four distinct seasons and large local variations: Oslo: July: average temp: +16.4°C. January: average temp: -4.3°C. Annual precipitation: 763 mm. Bergen: July: average temp: +14.3°C. January: average temp: +1.3°C. Annual precipitation: 2,250 mm. Tromsø: July: average temp: +11.8°C. January: average temp: -4.4°C. Annual precipitation: 1031 mm	Four distinct seasons with large variations between south and north. Average temperatures and precipitations: Stockholm: January -3°C and 30-40 mm, July 18°C and 80 mm Malmö: January 0°C and 50 mm, July 18°C and 70 mm Kiruna: January -15°C and 30 mm, July 14°C and 80 mm
Language	Danish	Norwegian	Swedish
Business language	English	English	English
Weights & Measures	The metric system	The metric system	The metric system
Currency	Danish krone DKK	Norwegian krone NOK	Swedish krona SEK
Capital	Copenhagen	Oslo	Stockholm
Time zone	Central European Time zone - one hour ahead of GMT. From the end of March to the end of October two hours ahead of GMT.		
Business hours	Monday to Thursday: 9 a.m. - 5 p.m. Friday: 9 a.m. to 4 p.m.	Monday to Friday: 8 a.m. - 4 p.m.	Monday to Friday: 8 or 9 a.m. - 5 p.m.
Banking hours	10 a.m. - 4 p.m. Thursday to 5:30 p.m.	9 a.m. - 3 p.m. Thursday until 4:30 p.m. except in the summer	10 a.m. - 3 p.m. Monday to Friday
Public holidays	New Year's Day: 1 January Easter: (Maundy Thursday, Good Friday, Easter Monday) Great Praying Day Ascension Day Whitsun: Sunday and Monday Constitution Day 5 June (half-day holiday) Christmas: 24, 25 and 26 December	New Year's Day: 1 January Easter: (Maundy Thursday, Good Friday, Easter Monday) Labour Day: 1 May Constitution Day: 17 May Ascension Day Whitsun: Sunday and Monday Christmas: 25 and 26 December	Twelfth night*: 5 January Twelfth day: 6 January Easter: (Maundy Thursday*, Good Friday, Easter Monday) Walpurgis Night*: 30 April Labour Day: 1 May Ascension Day National Day: 6 June Midsummer's Eve: Friday between 20-26 June Christmas: 24, 25 and 26 December New Year's Eve*: 31 December

* Eves preceding the public holidays, on which most offices are closed during the afternoon.

1 This is Scandinavia

A region of similarities

Scandinavia consists of the three countries: Denmark, Norway and Sweden. These countries have an inter-linked historical background and many cultural similarities. The languages are similar enough to allow Scandinavians to communicate with each other using their own mother tongue. Despite this, the economic and political situation differs among the countries. Denmark and Sweden are members of the European Union, while Norway remains outside, having, however, established extensive cooperation agreements with the EU.

In business, few borders are known. Many of the large multinational Scandinavian companies operate in all three countries. Foreign businessmen approaching the countries will notice the similarities in demand, consumption patterns and business cultures. It is therefore natural to view the three national markets as one.

Life and consumption patterns

Some basic facts should be observed when analysing the Scandinavian market:

- The average income is high in international comparison; the gross domestic product per capita is in the order of € 30,000 per year.
- The Scandinavian countries have some of the highest tax levels in the world. The tax systems are progressive, higher incomes pay more. It is quite common that people pay more than 50 % of their top income in tax.
- In comparison with many other European inhabitants, Scandinavians tend to use a relatively large part of the income on housing and relatively less on other areas. Housing accounts for over 20 % of household expenditure in the three countries, whereas foodstuffs and beverages only represent 13 – 15 % of the average household expenditure.
- The Scandinavians live, to an increasing extent, in single person households. On average, this represents 38 % of the households (17 % of the population). University students move away from home, people are getting married late, and the divorce rate is high. Elderly people also tend to live by themselves.
- 72 - 75 % of Scandinavian women between the ages of 15 and 64 years (2002) work outside the home: the high frequency of women working reflects a highly-developed public sector with adequate day care institutions for children.
- 50 % of the population in Scandinavia have a high school degree, and nearly 20 % a university degree. Education is equally distributed between the genders.



Household consumption (2003/2004)

	Denmark	Norway	Sweden
<i>Distribution of private consumption (%)</i>			
Foodstuffs & beverage	15.9	14.4	13.4
Clothing	4.9	5.3	4.3
Housing	22.7	21.5	23.1
Electricity and heating	7.6	5.2	4.6
Furniture & domestic goods	6.2	7.0	4.8
Healthcare	2.6	2.8	2.6
Transport	16.2	17.3	15.8
Culture and leisure	11.0	12.6	17.7
Other goods & services	12.9	13.9	13.7

Sources: Statistics Denmark, Statistics Norway, Statistics Sweden



Geography and climate

Despite its semi-arctic latitude, the Scandinavian countries have a relatively mild climate due to the warm coastal Gulf Stream. However, there are large differences between the south and the north.

Denmark is the smallest of the three countries by area. It consists of the peninsula of Jutland and the major islands of Funen, Zealand - on which the capital, Copenhagen, is situated. Denmark shares a land boundary with Germany, and is connected by a bridge to Sweden in the East. The rest of the country is bordered by the Baltic Sea, the North Sea and the Skagerrak.

Denmark covers an area of 43,095 sq. km. Agricultural land accounts for 62 % of the total area, forests account for 12 % and inland waters account for 1 %.

In addition to Denmark itself, the kingdom also includes the Faeroe Islands and Greenland in the North Atlantic. Both the Faeroe Islands and Greenland have home rule with an elected council and are represented in the Danish parliament. The Faeroe Islands and Greenland are not members of the EU.

Norway shares borders with Sweden, Finland and Russia. It is a mountainous country with half of the area above the timberline. 25 % of

the country is covered by forest, leaving only 3 % for arable land. The distance from north to south is more than 2000 km. Only 4.6 million people live in Norway, primarily along the coast and in the southern part of the country. Nearly 60 % of the population lives in urban areas, including the four largest cities: Oslo, Bergen, Trondheim and Stavanger.

Sweden is the largest of the Scandinavian countries, it is similar in size to the state of California or Thailand, but has only 9 million inhabitants. 85 % of the population lives in the southern half of the country, and the most densely populated areas are around the three major cities, Stockholm, Gothenburg and Malmö. Sweden is characterised by its long coastline, dense forests and numerous lakes. The forests cover more than 50 % of the area, farmland only 10 %. Sweden has a milder climate than other areas on the same latitude, but due to the length of the country, the climate is quite varied.

The north of Norway and the north of Sweden have long and cold winters and sunny summers with moderate temperatures; in June and July the sun never sets and daylight lasts 24 hours. The temperatures in summer are higher in the southern parts, but only occasionally exceed 25 degrees. In winter, the temperatures often fall below zero all over Scandinavia.

2 Scandinavian economy

The Scandinavian countries have all experienced rapid economic growth since World War II and are among the wealthiest in the world. The countries are now post-industrial societies with around two thirds of the workforce employed in the service sector.

All three countries have highly developed foreign trade. Over the last 20 years European integration has increased through the development of the European Single Market. Until 1 May 2004 this comprised the 15 Western European member countries of the European Union, plus Norway, Iceland and Lichtenstein. The enlargement in 2004 expanded the EU with another 10 states, most of them in Central and Eastern Europe.

The table illustrates the GDP of the three countries compared with the average of the European Union.

DENMARK

Specialised industry with a predominance of SMEs

Unlike most other industrial nations, industrial development in Denmark is not linked to the occurrence of national raw materials. Danish industry is largely made up of light manufacturing and reprocessing, and production is often characterised by a high degree of specialisation in a particular, well-defined field.

Danish industry is, therefore, predominantly based on SMEs, small and medium-sized companies. More than 80 % of all manufacturing companies employs less than 20 people. Only 1,000 companies have more than 100 employees, but more than half of the industrial workforce is employed in these companies. The manufacturing industry is dominated by small or medium-sized niche productions of a high technological standard and mainly intended for professional users. Due to this very complex and versatile structure, Danish manufacturing industry as a whole is not as sensitive to changes in the world market as other countries where industry is concentrated in a few sectors.

In total 333,766 businesses (2005) are registered as companies that must adhere to the value added tax (VAT) laws. Most of these are in the service sector, less than 10 % are manufacturers and 20 % are trading companies.

Gross Domestic Product (2004)

	Denmark	Norway	Sweden	EU
Gross domestic product at market prices (current prices), € m	194,421	201,387	279,008	10,280,060
GDP per capita in Purchasing Power Standards, €	27,200	34,200	25,900	22,400
GDP per capita in Purchasing Power Standards, index	121,7	153,1	116,1	100

Source: Eurostat



Foreign Trade

In 2004 Danish exports (goods only) amounted to € 61.3 bn. The largest export markets are Germany, Sweden and the UK. The majority of exports, 76 %, consist of industrial products (excluding canned meat and canned milk as well as ships). About 12 % are agricultural, animal produce. Primary export groups are machinery and electrical instruments, pharmaceuticals, chemicals, meat and dairy products, fish, furniture, motors and ready-made garments.

In 2004 Danish imports (goods only) amounted to € 53.7bn of which 72 % came from other EU countries. Goods for direct use in trade and industry represent the largest share. The majority are manufactured goods which are re-exported after further processing.

The second largest group of imports is consumer goods representing 30 % of imports.

Imports of fuel represent around 3 % of imports. Today, Denmark is essentially self-sufficient in energy.





NORWAY

Petroleum-based economy

Offshore production of oil and gas in the North Sea and further north dominates Norwegian economy. This industry represents 20 % of the GDP and about 45 % of the export value, but the contribution to employment is low. While the industry explains Norway's high GDP, the effect on consumption is limited. Most of the surplus is invested abroad through the Petroleum fund, now totalling more than € 125 m.

About 75 % of the Norwegian workforce is employed in the service sector (2002), with 41 % of this percentage working in the public sector. Employment in secondary industries (manufacturing, mining, construction, utilities etc.) accounts for 21 %. The employment in industry has been reduced by more than 50 % from 1980 to 2005.

The primary industries represent only 2 % of Norway's GDP. Agriculture is limited due to harsh climatic and geographic conditions. Forestry and fishing are still important. In recent years, fish farming (notably of salmon) has grown into an industry equally important as traditional fisheries, representing 1.5 % of Norwegian exports.

Norway is one of the great shipping nations of the world, accounting for 7 % of the world's fleet.

In total, 439,000 companies (2005) are registered in Norway. Most of these are in the service sector, while 16 % are in trade.

Foreign Trade

Norway is a small country with an open economy and large foreign trade. Foreign trade corresponds to 73 % of the GDP. In 2004, exports amounted to € 65.7 bn and imports to € 38.5 bn, leaving a trade surplus of € 27.2 bn. The surplus is due to the export of oil and gas, whereas traditional goods have a trade deficit.

The most important trading partners are Western Europe and the USA.

The geographical structure of imports reflects Norway's general foreign trade pattern, where Europe dominates. Imports from developing countries in Africa and South America are only 1 – 2 %. In Asia, Japan dominates, while newly-industrialised nations and China are on the increase.

The largest group of import products is intermediate goods for industrial use which accounts for 36 %. Consumption goods are the second largest group (24.5 %) and capital goods number the third largest (21 %).



SWEDEN

An industrial country moving away from industry to a large knowledge-based service sector

Natural resources such as timber, hydropower and iron are used to constitute the resource base of the Swedish economy. The manufacturing industries still have a strong position due to the availability of raw materials; they constitute 17 % of total employment. At the same time, historically important sectors such as agriculture and forestry now only account for 3 % of the employment in Sweden.

Resulting from a deliberate transformation of industry, Sweden is now one of the leading nations as regards knowledge-based industry and technology development, such as the information technology and communication sector (ITC). The ITC manufacturing sector constitutes 16 % of the total turnover and 10 % of the total employment in the private sector.

Another area that has become increasingly important in recent years is the service sector. It now has the largest share of employment compared with any other sector, and accounts for more than 75 % of all employment. Notably, a substantial increase is occurring in the creative industries. The fast-growing development of design, music and fashion provides Sweden with a new source of export income which is steadily increasing.

In total, 885,103 businesses are registered in Sweden (2005).

Foreign Trade

Sweden is an internationalised economy with a large number of multinational corporations. The export amounted to € 99.8 bn (2004). The vast majority of export commodities constitute machinery and transport equipment including cars (48 %), chemicals and manufactured goods including paper and wood articles as well as telecommunication equipment (40 %). Sweden exports mostly to countries within the EU, with the exception of the US (11 %) and Norway (8 %).



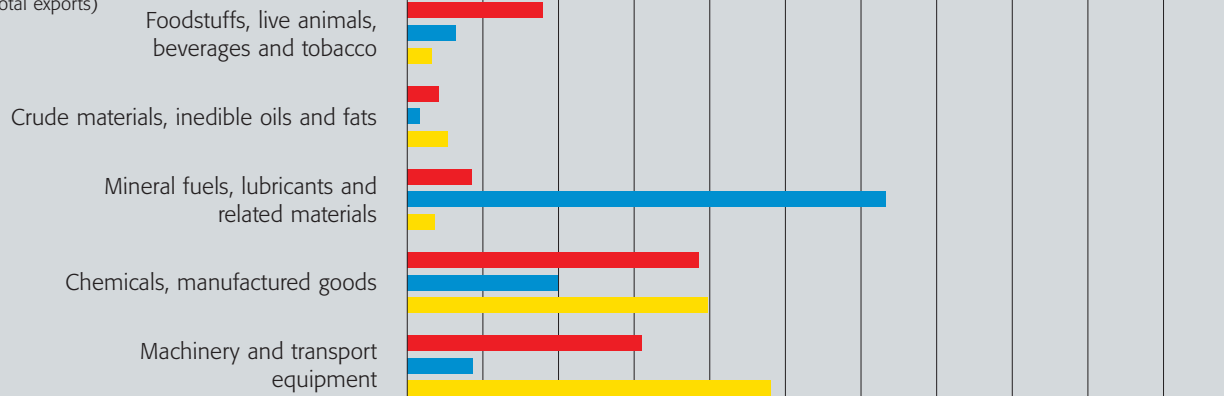
Swedish industry is to a great extent an assembly industry, depending largely on imported raw materials and components. The total of goods imported amounted to € 80.9 bn (2004), of which 70 % were goods for the assembly industry. The major imports are machinery and transport equipment (47 %), chemicals (12 %) and minerals (8 %). Two thirds of Swedish imports come from the EU, with the major import partners being Germany (18 %) and the UK (8 %). Over the last few decades, import from rapidly developing Asian countries has been increasing.



Denmark Norway Sweden

Export per major product group (2004)

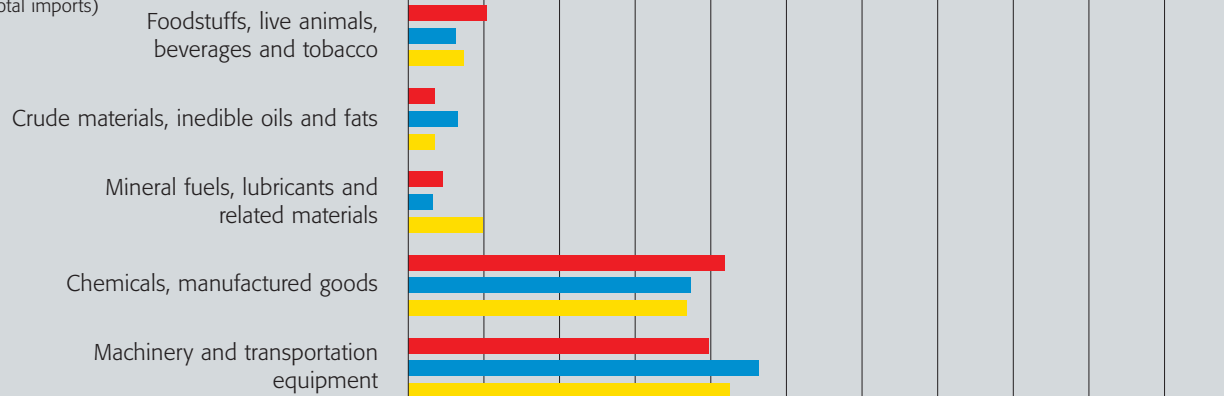
(in % of total exports)



Source: OECD

Import per major product group (2004)

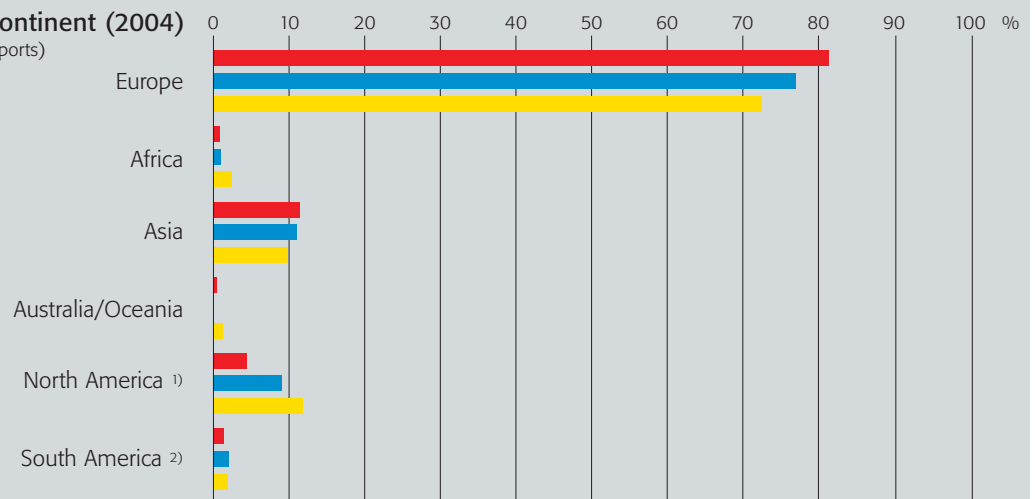
(in % of total imports)



Source: OECD

Import by continent (2004)

(in % of total imports)

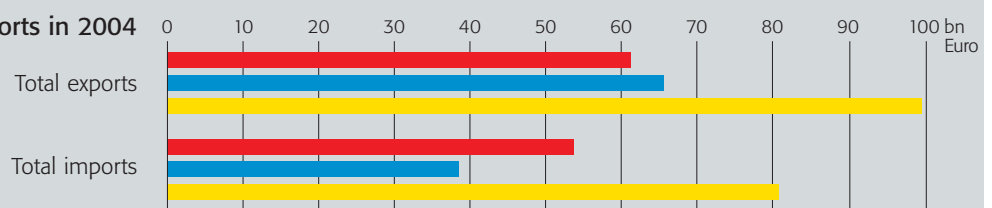


Sources: Statistics Denmark, Statistics Norway, Statistics Sweden.

¹⁾ The figure for Norway includes Central America. ²⁾ The figures for Denmark and Sweden include Central America

Total imports and exports in 2004

(in bn Euro)



3 Benefit from lower custom duties

Preferences for developing countries

For more than 30 years, developing countries have benefited from preferential treatment when exporting to developed countries.

The preferences are arranged in the *Generalized Systems of Preferences (GSP)*, which applies to the three Scandinavian countries, although there are slight differences between the Norwegian and the EU GSP. GSP preferential treatment means that industrial products, with certain exceptions, are entitled to reductions of duty when exported to the Scandinavian market. For agricultural products the system is more complex, as commented on below.

With the exceptions of bananas, rice and sugar, the Least Developed Countries have been granted duty- and quota-free access for all products under the GSP, including agricultural products. In the EU this initiative is referred to as the *Everything But Arms* initiative. For bananas, rice and sugar the EU has an exemption, since duty and quota-free access will not apply until 2006 for bananas and 2009 for rice and sugar. However, during the transition period duty-free access is possible within the quota limits. In Norway, the LDCs obtained duty-free access for all products (except arms) from 1 July 2002.

The remaining tariff preferences vary considerably depending on the country of exportation and the origin of the product. In total, the EU GSP covers about 170 developing countries and territories in 2005, including the Least Developed Countries (LDCs). Further to the GSP there are other preferential agreements, for instance the *Cotonou Agreement* which covers 79 developing countries in Africa, the Caribbean and the Pacific Ocean (ACP).

Products included in the GSP regime are divided into a sensitive and a non-sensitive category. Non-sensitive products carry zero duty and sensitive products carry a certain reduction in duty. Non-sensitive products are primarily industrial goods, but there are exceptions, such as textiles. A limited number of agricultural products are also classified as non-sensitive, for example some types of nuts, saffron, grape-fruits and aquarium fish. However, almost all agricultural products included in the GSP are classified as sensitive.

Norway largely follows the EU GSP, but there are some deviations. Therefore it is advisable to check the rules on the websites of the European Union <http://europa.eu.int> and in the case of Norway at www.toll.no.

For certain agricultural products there may be duty-free quotas, while full or reduced duty applies if the quotas are exceeded. There are also seasonal regulations, and defined procedures (such as auctions) for allocating the quotas to importers.

Which countries benefit from preferences?

Within the GSP, developing countries are divided into three groups, *Least Developed Countries (LDCs)*, *Ordinary GSP Countries* and *GSP+ countries*. As mentioned, the LDCs are given more favourable conditions than the other GSP countries.

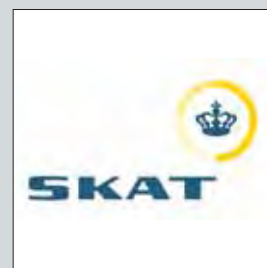
In order for a country to obtain the GSP it is not enough to be entitled to the preferences, the GSP must also be implemented by the country for the preferential rules to apply. Annex 4 indicates which countries qualify at present under the EU and the Norwegian GSP schemes.

Classification of goods

Correct and accurate classification of goods is of utmost importance for obtaining the preferences. All products that are being traded globally are classified according to an international classification system called the *Harmonized Commodity Description and Coding System*, normally referred to as the Harmonized System, or simply the HS.

When the exporter knows the correct HS code he can then check the product coverage in the relevant agreement or arrangement to see whether the product is eligible for a preference or not. A helpdesk is available in the EU for this purpose, <http://export-help.cec.eu.int>.

Customs duties are often applied on a percentage basis with reference to the customs value of the goods. For agricultural products so-called specific duties, which are based on for example quantity or weight, may apply. Furthermore, the duties on agricultural products are frequently combined, having the consequence that a product can have both a specific and a percentage-based duty.





How to benefit from lower customs duties

- The product must originate in a developing country for which the EU and/or the Norwegian GSP scheme has been implemented
- The product must be covered by the scope of products contained in the relevant GSP scheme (EU or Norway)
- The product must satisfy the Rules of Origin
- The product must be covered by satisfactory documentation (proof of origin)
- Transportation must be directly from the country of origin to Scandinavia (or via another EU country or Switzerland)
- The importer must request (claim) preferential treatment at the time of customs clearance

If a country or product is not covered by any free-trade agreement or other preferential arrangements, the importer has to pay the normal customs duty applicable for the product. If more than one agreement or arrangement is applicable, the exporter is free to choose the one that is most favourable to him.

Rules of Origin

Rules of Origin are a set of rules to determine in which country the products have originated. To benefit from lower customs duties, the export product has to originate in a country covered by a free-trade agreement or a preferential arrangement. A product is generally said to confer origin in a country if it is *wholly obtained or sufficiently processed* in that country.

A product can contain elements from other countries than the country where the goods are produced. In such cases, the rules of origin are applied to determine how much of the materials can come from other countries, or how much the product must be processed in order to allow the product to have originated status in the producing country.



Countries belonging to certain groups: ASEAN (South East Asia), SAARC (South Asia) and the Andean Community (in South America) have the right to use materials from other countries in their group in the production without losing the status as country of origin. This is called cumulation. Exporters from LDCs to the EU can in some cases be granted exemption from the rules of origin.

The concept of *wholly obtained* often refers to an agricultural product grown in the country and not further processed. For manufactured goods, with inputs from other countries, it is necessary to check the so-called list rules which are available for each product (HS code) and to determine whether the product has undergone sufficient processing.

It is essential that the exporter makes sure that the product meets the rules of origin, in order to benefit from preferential treatment. If the rules of origin are not met, the importer has to pay the normal duty. It is advisable to check details on the websites.

Proof of Origin

To prove that the rules of origin are fulfilled, the exporter has to provide the necessary documentation. A *GSP proof of origin* must be issued by the exporter in the developing country and certified by the customs authorities of the exporting country. The following documents of origin are valid:

- Certificate of origin *Form A*
- Invoice declaration



The internet address to Form A is included among the websites in Annex 2. Instructions on how to complete the certificate can be found on <http://export-help.cec.eu.int>

The invoice declaration is a standard text (also to be found on the websites), which is made on an invoice (or any other commercial document) by any exporter. At the time of writing, this is valid only for shipments not exceeding a total value of € 6,000 in the EU, or NOK 25,000 (approximately € 3,000) in Norway.

The exporter should make sure that the information given to certify the origin of the goods is accurate and that the certificate or the invoice declaration is filled in correctly. Also check that the required authorisation, for example a stamp, has been obtained.

If a product contains material originating from a country within the European Union, a EUR 1 certificate proving the origin of the goods must be included in the documentation.

Transportation

Normally, the product has to be transported directly from the developing country to Scandinavia. This is to guarantee the origin of the product and that the product has not been manipulated during transport. However, some exceptions do exist, for example regarding transit arrangements from landlocked export countries. It is possible that the product is first exported to other EU countries or Switzerland, and then re-exported to Scandinavia.

Request by importer

The importer must request the relevant preferential tariff treatment at the time of customs clearance. There is no automatic consideration. GSP preferential rates of duty applied must always be documented by a valid proof of origin issued in the GSP country concerned.

4 Legal requirements

Importing goods to Scandinavia is governed by a complex set of EU and national directives, laws, regulations and standards. The aim is to ensure consumer safety, to protect the environment and limit other risk factors. Different product groups are governed by different types of legislation.

The importer is responsible for compliance with the legislation, and local authorities in the importing country will check compliance. Consequently, the importer will require from suppliers that products meet requirements.

The European practice is in accordance with the international agreements of the World Trade Organisation. Control measures for products are mainly to be found in the *Technical Barriers to Trade Agreement (TBT)* and the *Agreement on the Application of Sanitary and Phytosanitary Measures (SPS)*. The TBT agreement deals mostly with industrial goods, while the SPS agreement deals with food safety, animal and plant health.

The control measures comprise two categories:

- (1) Technical and other requirements imposed on products
- (2) Requirements regarding conformity assessment.

Conformity assessment includes testing, certification and other measures in order to demonstrate that the product satisfies the product requirements.

The requirements are valid not only in the 25 Member States of the EU, but also in three countries that together with the EU make up the *European Economic Area (EEA)*: Norway, Iceland and Lichtenstein. All 28 countries are obliged to implement the EU legislation in their own legislation, however, since this can be done in different ways, there are certain differences among these countries.

Product requirements

In the EU, legislation is passed in the form of *Directives*. Each country implements the directives in their national legislation as laws or regulations. For many products, the specific requirements are included in European standards.



In order to check the requirements regarding your product for one of the Scandinavian countries, you may need to consult the national *WTO Enquiry Point* or the national authority in question.

Further to this, a special contact point in Sweden has been established to assist exporters from developing countries:
www.opentradegate.se.

The TBT and SPS Enquiry Points and the most important authorities are referred to in Annex 2. The specific requirements for each of the Scandinavian countries and for many product groups are also available in the Dutch database *CBI AccessGuide*: www.cbi.nl/accessguide.

The *Product Safety Directive* is an important directive relevant for almost all products. The basic requirement is that products placed on the European market must be safe. Furthermore, importers must provide consumers with the necessary information, either by labelling the product or by giving instructions for the use of the product. Finally, the importers should monitor the safety of their products and take measures to avoid any hazards.



If a consumer can prove that a product has caused him damage, he can seek financial compensation from the distributor according to the *Product Liability Directive*. The distributor is entitled to pass on the claim to the importer, exporter, manufacturer or whoever comes before him in the distribution chain. Some products which are considered to be especially sensitive, such as foodstuffs and chemicals, are covered by separate legislation.

Standards are another important source of information regarding product requirements. Technical standards have been developed by European standardisation bodies and implemented as national standards in all the 28 countries of the EEA. In Scandinavia, the national standardisation bodies are Dansk Standard, Standard Norge and Swedish Standards Institute. The standards can be bought through one of the national standards bodies or their sales organisations. However, since all the national standards have the same origin and usually contain the original text, it is sufficient to obtain one copy pertaining to your product group, and this can be used in all 28



New Approach directives/CE directives

For the areas listed below, the producer has to affix the CE mark to confirm that the product satisfies all relevant requirements in the New Approach directives:

- Low voltage equipment
- Simple pressure vessels
- Safety of toys
- Construction products
- Electromagnetic compatibility
- Personal protective equipment
- Non-automatic weighing instruments
- Active implantable medical devices
- Appliances burning gaseous fuels
- New hot-water boilers fired with liquid or gaseous fuels
- Explosives for civil use
- Medical devices
- Equipment and protective systems intended for use in potentially explosive atmospheres
- Recreational craft
- Lifts
- Pressure equipment
- Machinery safety
- In vitro diagnostic medical devices
- Radio equipment and telecommunications terminal equipment
- Cableway installations designed to carry persons
- Measuring instruments

countries. The websites of the standards bodies are found in Annex 2.

New Approach directives/CE directives

Some of the most important EU directives are the *New Approach directives* also known as the *CE directives*. These cover more than 20 different product groups which represent a potential risk for the consumer. All directives are available on the website: www.newapproach.org.

The New Approach directives/CE directives only contain the essential requirements regarding the products. The detailed requirements are contained in standards, and normally it is sufficient to consult the standard for your product group. In special cases you can prove compliance directly to the essential requirements.

In order to demonstrate that a product is in compliance with all relevant New Approach/CE directives the product must be marked with the CE mark. The marking is the responsibility of the importer. You are not allowed to affix the CE mark to any other product, which is not covered by a New Approach directive. The procedure leading up to the CE mark varies from one product group to another. Step by step procedures can be found on: www.cbi.nl/accessguide.

Demonstration of compliance

Importers have to document compliance with legal requirements. For low risk products, there may be no specific requirements, or a *Manufacturer's declaration* may be sufficient. For higher risk products, product properties may have to be documented through *laboratory test reports or inspection reports*. *Independent certification* that the product complies with requirements may be needed in other cases. The requirements regarding the demonstration of compliance are laid down in directives and other legislation; practical procedures may vary from country to country.

In the case of test reports and certificates there is always the issue of recognition. Not all laboratories and certification bodies are recognised in Europe. *Accreditation* by an internationally recognised accreditation body will greatly enhance the value of the test report or certificate. Accreditation is a systematic and independent verification to confirm the competence of the organisation in question. In cases where



European authorities do not recognise the documentation, additional testing or inspection may be required when the product arrives in Europe, adding costs and delays. In certain cases, the EU may send inspectors to the country of origin.

Packaging and labelling

The overall aim of packaging is to ensure the safe and intact arrival of the goods, but there are also a number of legal requirements for packaging and labelling. The requirements depend on the nature of the goods and whether the product is destined for industrial use or direct consumer use. A number of EU requirements have been developed to protect consumer health and safety and aims at providing consumers with relevant information about the products.

One EU directive specifies which materials; types of plastic and cardboard are allowed to be used in packaging in direct contact with foodstuffs. A number of materials, mainly plastics, are not allowed in direct contact with the products. Another example is the *Directive 96/74 EC on Textile Names*, which lays down

the rules for the labelling of textiles. Such labelling is compulsory for the retail trade.

Foodstuffs

Food safety is an important issue in Europe, and foodstuff products are governed by an extensive set of regulations. Several incidents in recent years, where food safety was threatening public health, indicated that the legislation was not satisfying its objectives. New principles were laid down in the *Food Law Regulation* No 178/2002 based on the food chain “from the farm to the fork” principle. All EU member states (and the other EEA countries) have implemented new legislation accordingly. At the time of writing, national variations exist, but the

General rules for labelling:

- Consumer products must be labelled in the national language of the destined market
- Labels and marking must accurately describe the contents of packages
- Weight and measures must be stated in the metric system, if applicable
- Information on safe use must be included, if applicable
- Certain foodstuffs must be marked with the country of origin
- For many products CE marking is mandatory



The Swedish Ecological Label



The Norwegian Ecological Label



The Danish Ecological Label



The EU Ecological Label

EU aims at full harmonization of the legislation by 1 January 2006.

The legislation is being continuously developed. Product requirements cover such areas as contaminants, maximum residue levels, hygiene (HACCP systems), irradiation, labelling and much more depending on the product. The current situation should be investigated for the product in question.

Meat products, seafood etc. can represent a considerable health risk. Therefore, food products of animal origin must come from an establishment approved by the EU. The exporting country's food safety/animal health controls system also needs approval.

Many products, like fresh meat and fish are inspected and tested upon arrival in the EU. Before being released the products have to be approved.

More information can be found on:
<http://europa.eu.int/comm/food>

Organic foodstuffs

Foodstuffs that are sold as "organic" must comply with EU regulations and be certified and labelled accordingly. Certification of the products must be conducted by an independent body and can be quite costly.

The general requirements are laid down in Council Regulation (EEC) 2092/91 and special requirements to exports from developing countries are laid down in Council Regulation (EC) 1788/2001. Each consignment must be accompanied by a certificate and formalities have to be dealt with in advance. The strict formalities add to the cost of organic products. The EU has issued a guide to organic farming. The Internet reference is included in Annex 2.

Toys

Children are considered as especially vulnerable consumers and toys represent a product group covered by extensive legislation. A specific *Toy Safety Directive* under the New Approach/CE directives lays down the essential requirements, but the manufacturer needs to refer to the EN 71 standards to find the specific requirements. Compliance with the standard is considered proof that the toy complies with the requirements of the directive. However, there are many additional regulations such as *Directive for Electromagnetic Compatibility* (radio noise etc.) which will apply if the toy includes an electronic device. When the requirements of the relevant New Approach directives/CE directives are satisfied, the producer is entitled to affix the CE mark to the toy.

In addition to this, there are many substances not allowed in toys, such as benzene, heavy-metals in electronics, azo-dyes in textiles or phthalates in PVC. Finally, toys like other products have to satisfy the *Product Safety Directive*.



5 Market requirements

Further to legal requirements, the market itself has developed a number of standards and requirements. Although their specific nature can differ from sector to sector, an exporter targeting the Scandinavian market must live up to a set of standard expectations from buyers in order to enter the market successfully.

The competition is likely to be fierce, no matter which market you are targeting in Scandinavia. A new business relationship with a Scandinavian importer often means that the importer will be switching from an existing supplier to the new one. If the exporter, in the importer's view, represents a more distant and potentially risky supplier, a professional and well-prepared approach will do much to enhance buyer confidence.

Certification

In addition to, for instance, the CE mark which is mandatory for many products, the market has developed a large number of different certifications which are in principle voluntary, but may in reality be mandatory. The certifications can refer to different aspects of a product or to procedures and standards in the company. Normally, the importer will convey his wishes in terms of certification. A good overview of the different types of certification is available at www.cbi.nl/accessguide, which contains specific information for many product groups. National websites are also available.

Certification of product quality

Product certification confirms that a product complies with specified requirements, or that process requirements are satisfied. A certification mark or label is often attached to the product. Labels can contribute to a positive distinction of your product compared with non-labelled products and can be effective marketing instruments. In Europe, a large number of certification and labelling schemes are in operation.

The Scandinavian countries have long experience in environmental labelling. The Swan label is well known all over Scandinavia and it covers around 60 product groups. The product groups range from stationery to detergents, furniture, and hotels. The requirements concern the manufacturing, use and disposal of the product.



Basic customer requirements

Certain customer requirements are common for all business sectors and should always be kept in mind. Some of the most important are:

Quality

It is of vital importance that the product satisfies requirements regarding function, design, durability, reliability, environmental friendliness and other features. Deliveries must be in accordance with the agreed specifications, without errors or deficiencies. Certain tolerances are often agreed and may be included in the agreement as acceptance criteria. Not only the product itself, but also the packaging, documentation etc. may be subject to customer requirements. If the customer has a complaint, he will expect effective and efficient handling. Products which do not conform to these requirements should be corrected without delay and at the supplier's own expense.

Ability to deliver

Reliability with respect to delivery is essential. Scandinavian importers are operating on tight schedules and selling seasons are short. Importers will expect the order to be complete, the quantities as agreed, and the delivery on time. Certain business sectors demand short delivery times and expect willingness to adjust orders at short notice. An exporter's ability to secure safe and reliable deliveries is increasingly becoming a competitive advantage equal in importance to price. The future of a new business relationship will therefore depend on the exporter's ability to state a realistic delivery time that can be kept.

Communication

Efficient communication requires skills in the English language, which is the only non-Scandinavian language you can depend on. Today, e-mail is essential for daily communication, while fax is used to transmit formal documents. All marketing information, brochures and websites must be in English and professional assistance when translating is recommended. Poor translation will convey the impression that the company is not professional.

Price

Price is always of importance, but a low price alone is not sufficient to attract customers. Scandinavians tend to consider *Value for Money* – the value of the product and service they receive in relation to the cost.



The Swan label

Developing countries have also established labels in order to enhance confidence in their products and production processes. One example is the important cut flower export industry in Kenya. *Kenya Flower Council* has established the *Silver Code of Practice*, which is benchmarked to EUREPGAP.

Management systems

These systems are requirements regarding how the organisation works, not regarding the resulting product. The systematic approach aims to improve the process as well as the resulting product.

The most common form is *quality management systems*. Systems according to the international standard ISO 9000 have certified implementation in more than 500,000 organisations world-wide. The standard relates to both manufacturing and service industries. There are requirements regarding management and organisation, resource management, process control and improvement. The objectives are to increase product and process quality, efficiency and reliability. ISO certification is also a valuable tool in a company's international marketing to attract Scandinavian buyers seeking effective and reliable business partners.

An integrated management system for foodstuffs

The *EUREPGAP* initiative has been developed by the main European retailers, based on the concepts of *Good Agricultural Practice (GAP)*. GAP has evolved as a result of the concerns and commitments of a wide range of stakeholders about foodstuffs production and security, food safety and quality, and the environmental sustainability of agriculture. GAP applies recommendations and available knowledge to addressing environmental, economic and social sustainability for on-farm production and post-production processes. EUREPGAP includes specific standards for the production of fruits and vegetables, combinable crops, live-stock, feed, flowers and coffee. The system specifically targets producers outside Europe.

Another widespread form is *environmental management systems*. Worldwide, more than 66,000 certificates have been issued according to ISO 14000. This international standard requires the organisation to identify and monitor the relevant environmental aspects, and to improve its performance. However, the standard does not set specific targets, for example for pollution levels. *Environmentally sound production (ESP)* may be a part of an environmental management system, or it may be a separate system.

In the foodstuffs sector, food safety is the object of much attention along the entire chain from farming, to processing, to the shelves of Scandinavian supermarkets. The *Hazard Analysis and Critical Control Point (HACCP)* system described earlier is a legal requirement in certain cases but increasingly, the market requires much wider application of HACCP systems.

For additional information on certification systems, you may refer to your national standards body. In most cases, the address is found on www.iso.org.

Codes of conduct

A code of conduct is a voluntary written policy committing the supplier to social and ethical business operations. Companies often base their social codes of conduct on the conventions of the *ILO (International Labour Association)*. A wide variety of social codes of conduct have been developed over the years. Many companies use their codes as a means of promotion and marketing.

In the textile and garment industry, most of the codes are developed by individual companies and they are specifically addressed to suppliers and contractors through the whole supply chain. Still, requirements may be similar. For example, the two large Scandinavian fashion chains H & M and Dressmann both include the following in their supplier requirements: Occupational health and safety, based on ILO conventions regarding child labour, forced labour, minimum wages, working hours, monitoring and inspection of suppliers. The same requirements apply to subcontractors.

Occupational Health and Safety (HSE) systems are intended to prevent injuries and diseases related to work conditions. Most countries have legal requirements regarding this effect, but the requirements are highly variable. In Scandinavia, the standard of HSE is very high, and Scandinavian consumers are very sensitive to substandard working conditions in companies producing for export to Scandinavia. In recent years, international standards including basic labour standards based on ILO Conventions have been developed in an attempt to harmonize requirements.

Terms of delivery and packaging

The importance of fast and reliable delivery as a competitive parameter has increased steadily over the past few years. In many businesses a guarantee of safe and reliable delivery is considered as important as the price of the product. There is often a zero tolerance of delays, which might lead to cancellation of orders and probably an early termination of the co-operation.

It is therefore of the utmost importance that the exporter, from the start of a new co-operation, states a realistic delivery time. Importers often plan a long time ahead and it may not be a problem that the delivery time is long, when this is made clear from the outset.

Packaging serves several purposes. First of all it must protect the product during the transport, and depending on the type of product, the importer may have special requests in relation to packaging and labelling. The importance of appropriate packaging should not be underestimated in relation to communicating the qualities of the product.

Most often products for the retail business are repacked in order to suit special consumer requirements or in order to market and promote the product. Such adaptation of the packaging is most often agreed in close co-operation with the importer who has access to market information and requirements.

Transport of goods

The transport of goods from developing countries to Scandinavia represents a considerable cost. The cost and the importance of safe and reliable transport make research necessary in order to find the best possible means of transport.

In order to specify who pays for which parts of the transport, and where the liability transfers from the one party to the other, the Scandinavian importers will normally refer to the Incoterms.

The *Incoterms 2000* form an internationally recognized tool, developed by the International Chamber of Commerce, clarifying the responsibility for arranging and paying for the transport and insurance. A good descriptive presentation of the various forms and definitions can be found on www.iccwbo.org/index_incoterms.asp.

The chosen type of Incoterm will be reflected in the export price. Often the importer will be responsible for paying the transport and, if new to the market, may want information and advice from the supplier on relevant options.

In most cases it is recommended for all but the most experienced exporters to work through a forwarding agent or shipping agency when initialising export to Scandinavia. Most international freight forwarders have offices in the Scandinavian capitals and are able to provide a range of different services. The use of local postal services for international transport of goods tends to be slow and unreliable and should be avoided, unless specifically agreed with the importer.

Pricing

In calculating the export price, a number of factors apart from your own costs and profit, must be taken into account. Some of the most important are:

The type of product and market

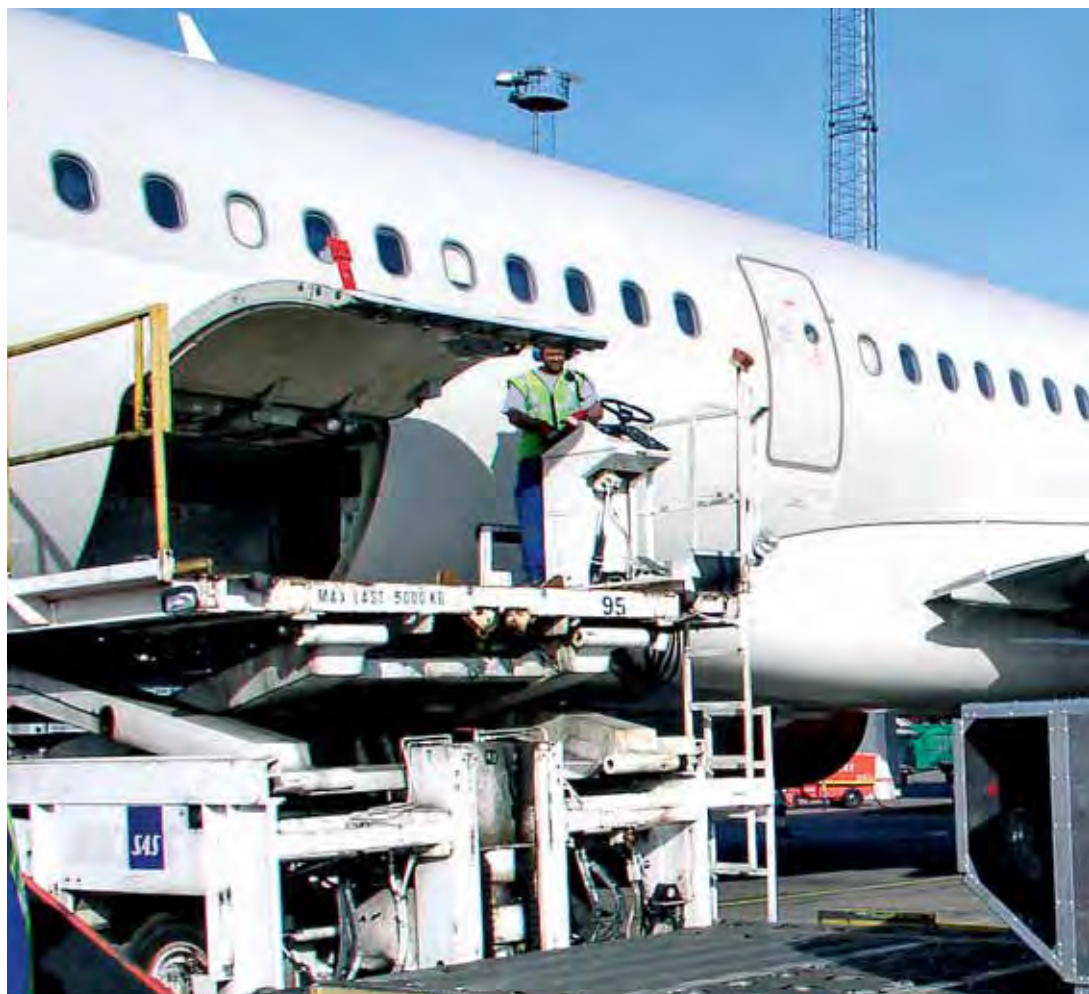
The price will vary depending on the supply situation and whether there is a shortage of the product. Regardless of the supply situation, products in different categories tend to have very different price structures. On consumer products such as garments or accessories, the retailer mark up can be up to 300 % depending on the type of garments. Basic consumer products such as daily necessities have much lower mark-ups.

The competitive situation in the market

Pricing cannot only be based on cost levels and mark-ups. In the end, the price has to be competitive compared to other products in the market. Market research should include the price level of competing products in your target market.

The number of intermediaries

All intermediaries in the distribution chain are in business to deliver a service and earn a profit. In recent years the tendency has been to reduce the number of intermediaries in order to keep prices down. Many large retailers skip the wholesaler and buy directly from the importer, or they handle the import themselves in order to keep down prices.



From export price to retail price

FOB (exporter's selling price):	100
Freight, insurance etc.:	15
CIF price:	115
Duty (if applicable, 5-14 %):	13
Landed cost:	128
Importer's/wholesaler's mark-up* (10-50 %)	45
Wholesale price:	173
Retailer's mark-up* (40-120 %):	104
Retail price (excluding VAT):	277
VAT (25 %):	69
Selling price to consumer:	346

* The mark-ups depend on type of product, distribution channels used and the competitive situation.

Transport, insurance and duty costs

Transport and insurance costs must always be taken into consideration when setting the export price. The *Incoterms 2000* clarifies the responsibility for arranging and paying for the transport and insurance. If you offer *Free on Board (FOB)* the importer will carry the cost of the main carriage and will expect a lower price than if you offer *Cost, Insurance, Freight (CIF)*, where the seller carries the cost of the main carriage.

Value added tax (VAT) and surtaxes

Value Added Tax (VAT) is levied on practically all products in Scandinavia, imported as well as domestic. The general rate is 25 % (2005), but Norway and Sweden have reduced rates for certain goods, such as foodstuffs and transportation. Furthermore, there are excise duties levied on a national basis for certain products such as motorcars, alcohol and tobacco. Such duties may be substantially heavier than the VAT.



Exporters often quote CIF Copenhagen/Stockholm/Oslo prices to Scandinavian importers. The CIF price thus includes all domestic freight costs, ocean/air freight and insurance, but not import duty or VAT. The rate of duty usually ranges from 5 – 14 % on industrial products, (except imports from LDC countries, which are normally duty-free). Based on the landed cost the importer will calculate his mark-up, depending on the type of product etc.

In order to be competitive in price it is increasingly common that the importer sells directly to the retailer and skips the wholesaler link – the importer and the wholesaler are merged into one link.

Terms of payment

Terms of payment are normally an issue of negotiation between the importer and exporter. The importer will be interested in getting the best possible conditions in terms of credit, whereas the exporter will be interested in fast and reliable payment. The most commonly used terms of payment are: Cash in advance, Letter of credit, Documentary collections, and Open Account.

Cash in advance

Cash in advance provides 100 % reliability for the payment, and the cash flow is positive. This term is, however, rarely used if the co-operation is new, since it requires complete trust from the importer without prior experience of the supplier's dependability. Cash in advance is sometimes used when the exporter produces an exclusive range of products based on the importer's specification. However, if the co-operation continues, the importer will normally require a period of credit.

Letter of Credit

Letter of Credit (L/C) is a frequently used term of payment. The importer instructs his bank to issue an L/C in favour of the exporter. The L/C is advised through the exporter's bank.

Payment is made to the exporter against the presentation of documents that comply with the L/C. An L/C favours both parties in the sense that the exporter is sure to receive his payment after having met his obligations, while the importer avoids the risk of paying in advance. An L/C is, however, quite costly in terms of high banking fees for the importer. Normally the importer will accept a request for an L/C for the first few shipments but will subsequently wish to negotiate smoother, cheaper and less bureaucratic terms of payment.

Documentary collections

When using the term Documentary collections, the exporter, after shipping the goods, presents a set of documents (invoices, transport docu-

ments etc.) to his bank. The bank forwards the documents to a bank in the importer's country. The documents are released to the importer against his acceptance of a Bill of Exchange (Documents against Acceptance) or his payment (Documents against Payment/Cash against Documents). Using Documentary Collections can represent a risk for the exporter if the importer for one reason or another chooses not to receive the documents and the products. In this case the exporter could find his goods stranded in the import country.

Open Account

The least bureaucratic, but also the most risky term from the exporter's point of view, is an Open Account. After shipping the goods, the exporter sends a set of documents (invoices, transport documents etc.) directly to the importer. The importer makes payment when it is due, as specified in the invoice.

6 How to access the Scandinavian market

Getting in contact with potential buyers

Entering a new market requires long-term planning and substantial efforts. This includes learning the business culture and commercial practices. Before identifying the potential customers it is crucial to analyse the market characteristics, major players and opportunities.

The competition on the Scandinavian market is fierce and newcomers have to make a sustained effort to keep up with market demands. However, once a functioning customer relationship is established, there are good chances of long-term commitment from the Scandinavian side.

Searching the internet

Today, the internet is the major source of information on new markets. Many companies publish information on their product range and distribution networks, but are less open with details on their purchasing practices. Contact details are often found more accessible in online databases. Examples are www.kompass.com and www.europages.com. Links to other relevant websites are presented in Annex 2.

Trade fairs

Taking part in and visiting trade fairs is an efficient way of getting acquainted with a new market. At the leading fairs, the main actors in the sector will be present. Before exhibiting it is often advisable to participate in the fair as a visitor. A thoroughly prepared and well-executed visit to a trade fair can be a cost-efficient market research. At Scandinavian fairs, many exhibitors are wholesalers or importers and their target group is the retailers. Approaching the exhibitors with information on new products is a very efficient way of getting in contact with the buyers.

Visiting a trade fair will also provide the exporter with information on the latest development, trends and fashions of the sector. This will enable the exporters to adapt their offer in order to make it relevant for Scandinavian importers.

To get more information on Scandinavian fairs, visit Fairlink, the Scandinavian Trade Fair Council at www.fairlink.se. All fairs in the Scandinavian countries are listed on this website.





Business trips

Once the market opportunities have been examined, the exporter needs to approach the buyers, preferably for a personal meeting. The importer will expect the exporter to be prepared for the meeting on a level where he can answer all relevant questions regarding price, quality, terms of delivery etc. An exporter may have to meet the potential buyer several times before a deal is concluded and should not expect too much from his first visit to Scandinavia. Before the visit, the exporter should investigate the relevant legislation and market requirements applying to his products.

Exporters from most developing countries will need a visa to enter the Scandinavian countries. Visas should be applied for at Danish, Norwegian and Swedish embassies several months before departure. Before issuing a visa, many embassies require substantial documentation, and sometimes an invitation from the business partner. The procedure needs to be initiated in due time. Arranging business delegations to Scandinavia between the middle of June and the middle of August is not advisable, as this is the holiday season.

There is a growing trend that Scandinavian importers visit producers in developing countries before starting a new co-operation. Many import promotion offices are active in organising group tours for interested businessmen.

The trade promotion services in Denmark, Norway and Sweden offer useful services.

Business culture

Each of the Scandinavian countries has their own national culture, but there are so many similarities that it makes sense to talk about a Scandinavian culture and a corresponding Scandinavian business culture. Here are a number of key points that are worth studying when starting co-operation with a Scandinavian partner:

Rules before relations

In business, Scandinavians put rules before relations and normally there is a clear distinction between personal and professional relations. The Scandinavian may not seem very interested in getting to know his trade partners personally, but this does not mean that he is not interested in doing business with them.

Punctuality

Being punctual is not only regarded as a sign of respect but also of efficiency. Being late for an appointment is regarded as lack of respect for the person you are meeting and his time. Scandinavian businessmen will have little understanding for the cultural variations on this subject. Punctuality in arriving at meetings will be looked upon as an indicator of the punctuality of supplying the goods. Should a delay occur, it is important to give notice as soon as possible. If an exporter is late for a meeting without having given notice, the Scandinavian partner is likely to consider him unprofessional.

The stressing factor of time can also be seen in everyday business contacts; it is common practice to set a deadline for something to be done or a decision to be made and deadlines are expected to be kept.

Power distance

Scandinavians are very keen on equality. Compared with many other countries the business hierarchy is fairly 'flat', and the power distance relatively small between persons on different company levels. It is important to be polite and respect staff members on all levels of the hierarchy.

Negotiating business terms

The Scandinavian business partner is likely to be totally frank regarding what he expects from you and what he himself can contribute with. It is important to be very precise when negotiating terms. Exporters should not accept any terms that they are unable to fulfil. "No", is a perfectly acceptable word in Scandinavia and nobody will be offended by an explanation that delivery according to a certain specification is not possible as long as the specification has not been agreed on. In many cases it is possible to make allowances from the Scandinavian side to make the deal come through anyway.

It is of paramount importance, however, not to make promises that cannot be kept 100 %. Delivery time is crucial in many sectors. If the importer knows that the delivery time is 3 months he is often able to work with that, but if the promise was 3 weeks and the delivery arrives after 2 months the cooperation is likely to end immediately. No further orders will be placed as the importer will find that this exporter cannot be trusted.

The contract

Scandinavians like written contracts. In some cultures a contract is a letter of intent, and the business partner is satisfied if the exporter does his best to live up to the terms. This is not the case in Scandinavia where the business contract is considered irrevocable and a partner will expect the contract to be fulfilled to the letter. If the trade partner does not comply, he will be considered unprofessional or even dishonest. Do not sign a contract unless you are 100 % sure that you can live up to all terms for as long as the contract stands.

Dress code and communication style

Scandinavians are often more informally dressed than people of other cultures. This is not to be taken as a sign of disrespect; rather it should be kept in mind when approaching new connections, that a casually dressed person may be the CEO. Scandinavians are very straightforward and informal and prefer to go straight to the point. At a business meeting there is not likely to be much small talk. Feedback and criticism is made openly in negotiations and business discussions. Such feedback should be considered as a sign of serious interest, not disrespect.

Women in business

Scandinavia has the world's highest rate of women in the workforce. Exporters are likely to meet women at any level of the companies and exporters should be prepared to work with women at all levels.

Gifts

It is not common for business associates to give each other gifts, and legislation against bribes is severe. In order not to embarrass your Scandinavian business partner the best choice is to only present gifts of low value.



Adapt to the relevant business sector

Entering a market requires sound knowledge on the specific sector. Three sectors are traditionally of special interest for exporters from developing countries.

Case 1: The foodstuffs sector

Although Denmark is a major exporter of foodstuffs, Scandinavia's geography limits agricultural production and makes food products a key and necessary import. Thus, a large part of imports consists of products that cannot be grown economically in Scandinavia, or products that are not produced at all, such as wine, certain vegetables and fruits, sweet corn, rice, oils, raw coffee, tea and cocoa, as well as a range of seafood.



The industrial market

The majority of foodstuffs imported from developing countries to Scandinavia are raw materials and food ingredients which are meant for the processing industry, where the products are further processed before being exported or sold locally.

In general, Scandinavia's foodstuffs sector is currently experiencing a process of internationalisation where the tendency is fewer and larger players, a tendency which is very significant on the industrial market.

The import of foodstuffs to the foodstuffs processing industry is often handled by specialized buying companies and to a lesser degree by the industry itself. Non-stocking sales agents are also common in this sector. The purchasing is dominated by a very high degree of professionalism. The buyers are specialised and therefore have in-depth knowledge of the products.

The reseller market

Internationalisation affects both the structure and range of goods on offer in the foodstuffs sector. There is a strong trend towards fewer and larger players, with growing integration between wholesaling and retailing.

Distribution channels

As a consequence of the centralisation, the Scandinavian distribution system is today dominated by five large trading groups that account for over 80 % of both the retail and wholesale market:

- Coop Norden (owned by the retail cooperative organizations in Denmark, Norway and Sweden) is Scandinavia's largest consumer goods retailer with 30 % of the market. Coop Norden is a member of NAF International which imports foodstuffs from all over the world through their offices in Copenhagen to Denmark and Norway. Saba Trading is responsible for the imports of fruits and vegetables to Coop Sweden.
- The ICA Group has retail and wholesale activities in Sweden and Norway and holds about 25 % of the market. Imports are carried out in cooperation with Kesko, Finland's leading grocery retailer, and together with the pan-European AMS buying group.
- United Nordic is a purchasing organization owned by Dagrofa/Supergros in Denmark, NorgesGruppen in Norway, and Axfood in Sweden and Finland. The United Nordic partners account for about 25 % of the market.
- DSG (Dansk Supermarked Group), Denmark's second largest foodstuffs retailer, is also expanding its foodstuffs retailing activities into Sweden as well as other European countries.
- The Reitan Group, based in Norway, is engaged in retail activities in Norway, Denmark and Sweden.

Several foreign retail chains have in recent years started to penetrate the Scandinavian grocery market, both through partnership agreements and by entering certain segments of the market, for example the discount and cash & carry markets. This means increased competition which will particularly influence the lower-priced segment.

Specialized wholesalers

The distribution of foodstuffs to certain segments is carried out through specialized wholesalers, of which some are integrated with the large retail groups and some independent. As a rule, these wholesalers also act as importers.

Several of the larger retail chains are also their own importers.

The imports of fresh fruit and vegetables from outside Europe is dominated by three large importers: Lembcke in Denmark, Bama in Norway and the Saba Group (owned by Dole) in Sweden. Other large importers are DSG and NAF International in Denmark, and the ICA Group in Sweden and Norway.

Scandinavia's hotel, restaurant and institution foodstuffs service sector has grown considerably over the past decade. This is attributed to a changing lifestyle and reflects an increasingly convenience-oriented and time-conscious population. It is estimated that today more than 20 % of meals are eaten outside of the home. Moreover, sales in this sector are expected to increase by 10 % per year in the next five years. Supply of groceries to this sector is dominated by a few specialized wholesalers in each country: Dagrofa and Metro in Denmark, NorgesGruppen and the Reitan Group in Norway, and Axfood/Servera and the ICA Group in Sweden.

In addition, there is a flourishing group of medium-sized wholesalers that import and trade foodstuffs and beverages. Some of these independent wholesalers are focused on products to the growing market for ethnic and certified organic food products.

Consumer trends and business prospects

Scandinavians have a taste for new food styles, which has increased the demand for ethnic food products from around the world as well as exotic fruits and vegetables, especially those that can be supplied all year round.



Scandinavians are also health conscious, with a strong concern for the environment, which has translated into a growing demand for organic foodstuffs and health foodstuffs. Ethical values are also high on the agenda, not the least in the media; resulting in increased consumer awareness and a growing pressure on trade to implement Code of Conduct programmes and to introduce Fair Trade labelled products.

Furthermore, the Scandinavian countries possess one of the highest food safety standards in Europe, with regulations sometimes stricter than EU requirements. In addition, all large wholesalers have introduced quality programmes covering the products from raw material requirements, through processing and handling, to packaging demands.

The best prospects for exporters are in areas where domestic production is not sufficient or non-existent. Additionally, there is a growing demand for ethnic foodstuffs that are uniquely associated with different parts of the world.

Case 2: Garments and home textiles

The garment and home textile markets are similar all over Scandinavia. The Scandinavian market is characterised by seasonal changes of climate. The market also experiences quick changes due to trend-sensitivity. Information about Scandinavian fashion trends can be obtained at www.moderadet.se.

The turnover of clothing is in the order of € 3.5 bn both in Norway and Denmark, and € 6.0 bn in Sweden. Home textiles have a turnover of approximately € 400 – 600 m in each of the three countries.



Distribution channels

Clothing and home textile products are imported into the Scandinavian markets mainly by retailers and wholesalers (traditional, brand suppliers and sourcing companies). In most cases the initiative to trade is coming from the import side.

The GATT Agreement on Textiles and Clothing (the Multifibre Agreement) expired on 31 December 2004 and the entire textile and garment trade became a free market without quotas. Until the end of 2007, however, there are quotas on selected types of garments from China (e.g. t-shirts, shirts, trousers, sweaters, bras). Consequently an export license is still necessary for these products before shipment from China. However, always check http://europa.eu.int/comm/trade/index_en.htm for further changes in future.

The Norwegian and Swedish markets are more concentrated than the Danish. The Danish wholesalers are important suppliers to the retailers in Sweden and Norway. Denmark is for this reason the second largest supplier country of clothing to Sweden, second only to China.

Swedish retail chains cross the Scandinavian borders to a larger extent than their competitors in Norway and Denmark, but Norwegian and Danish retailers are also found all over Scandinavia. Examples of countrywide chains, some of them found all over Scandinavia, are H&M, Lindex, Dressmann and Bestseller. In Denmark more than 20 % of clothing is sold in food hypermarkets. Some of the important actors in the home textile sector are IKEA, Jysk, Hansen & Dysvik. International chains are steadily increasing their presence but still represent a small share.

Trade fairs

The most important clothing fair on the Scandinavian market is the Copenhagen International Fashion Fair (CIFF) which is held twice a year. Visit the website www.ciff.dk for more information. The CPD in Düsseldorf, Germany is another important fair visited by Scandinavian buyers.

For home textiles, the most important fairs take place in Frankfurt, Germany. The Heimtextil, Tendence Lifestyle and Ambiente are the most important. Local fairs can be found in each Scandinavian country.



Case 3: Handicrafts

Scandinavians will attach a different value to handicrafts from their own country than to handicrafts imported from developing countries. Scandinavian handicrafts are often of excellent quality, but due to the high labour costs, they are also quite expensive. The high prices, though, also limit the size of this consumer segment. Consequently, the large majority of handicraft products are imported from countries where labour costs are lower; often adapted and developed to fit Scandinavian consumer preferences.

There are mainly four market segments for handicrafts in Scandinavia:

Seasonal products

Seasonal products constitute the largest segment in terms of import value. They cover decorating products used on special festive occasions. The most important holidays in Scandinavia are Christmas and Easter, when homes are decorated with seasonal ornaments; contrasting with the otherwise simple and practical home decorating style favoured by Scandinavians. The types of product used on these occasions are only sold around Christmas and Easter and are therefore subject to great seasonality.

The utility segment

The utility segment is the second largest in terms of import value, and by far the most important. Scandinavian consumers prefer decorative articles that also serve a practical purpose. People buy products for personal use that address a practical need in the home environment. The articles are bought when the need arises. Examples are baskets in which to store other items, flower pots, and candle holders etc.

The purchase of products within this category can be done in a variety of shops, from supermarkets and department stores to specialised gift shops. Value for money is the key factor for consumers when purchasing utility products.

Art objects

The art objects segment contains products with an artistic, but no functional value, such as woodcarvings, masks or statuettes.

Depending on artistic quality these objects can be purchased in specialised stores, art galleries, in retail or gift stores. As Scandinavians tend to favour functionalism, this segment is of a very limited size.



The souvenir segment

Scandinavians may pay a high price for handicrafts domestically produced, while traditional handicrafts from far-away countries tend to be perceived as 'ethnic' and fetch low prices. Tourists on holiday will buy products that they would never buy at home; as a memento of the time, place and people they want to remember.

Exporters should, therefore, not draw the conclusion that best-selling articles to tourists in their local market could be exported. Export price levels are also much lower than the local prices paid by visiting tourists.

Consequently, the market for souvenir products from developing countries is very limited in Scandinavia, unless, by chance, they fit into a current fashion or seasonal trend.

Trends and fashion

Most handicraft articles are subject to seasonal changes in fashion. The Scandinavian markets are considered to be among the most trend-sensitive in the world, and buyers are always looking for novelty. For example, a traditional basketry design will not be attractive to a buyer who has already had the same design on sale in a former season. Market information and product development are essential to stay attractive in a market where styles, colours and materials change by the season and the year. Exporters need to collaborate with importers in order to develop and adapt their products to fit current market trends.

Handicrafts are often displayed and marketed to consumers in collections, where one product matches the other through a unifying theme, pattern, colour, etc. Apart from making an attractive presentation, when the products match they also help to sell each other. This should be kept in mind when new products are being developed, since the increased sales generated by such matching collections also make them more appealing to importers.

Channels of distribution

Importing wholesalers selling to retailers dominate the import of handicrafts to Scandinavia. Some of the bigger retailing groups do their own importing. Agents are very seldom used in this business.

Many Scandinavian buyers visit trade fairs in the Far East to meet suppliers and look for new products. Many wholesalers exhibit at the leading fairs. In Sweden, these are Formex, held in Stockholm twice a year, www.formex.se and Index, held in May every year in Gothenburg, www.indexgbg.se. In Norway, the fair Gave & Interiør (Gift and Interior Trade Fair, www.messe.no/gave) is held in late January and August each year and in Denmark the fair Formland www.formland.dk is held twice a year in February and August in Herning. In addition, the European fairs Ambiente/Tendance in Frankfurt, Germany and Maison & Objet in Paris, France are important venues for many Scandinavian handicrafts importers.

7 Assistance to exporters

Denmark:

DANIDA

The Danish International Development Assistance. DANIDA operates under the Ministry of Foreign Affairs. The development aid is focused on a number of the poorest development countries. Development of the private sector in these countries has been a priority for a number of years and DANIDA operates with a number of different programmes:

Business Sector Support Programmes are programmes aimed at building up the private sector in the countries, by supporting local organisations, providing capacity building, improving the legal framework etc.

The Private Sector Development Programme is a match-making programme aimed at creating long- term co-operations between Danish companies and companies in developing countries.

Subsidy to import from developing countries is a facility where Danish importers can apply for support in order to start or expand import from developing countries.

IFU The Industrialization Fund for Developing Countries provides risk capital for investments in developing countries and **the Mixed Credits Scheme** provides favourable repayment conditions on loans for the financing of Danish supplies of capital equipment for projects.

DIPO

The Danish Import Promotion Office

DIPO's aim is to assist exporters from developing countries in their efforts to enter the Danish market. DIPO also assists export promotion organisations and embassies.

DIPO operates under a contract between the Danish International Development Assistance (Danida) and the Danish Chamber of Commerce (HTS). The office is integrated in the Chamber of Commerce, but is financed by Danida.

Besides DIPO, Danida operates a number of other programmes in order to import to the private sector and support export from developing countries. For more information visit the website www.um.dk/en.

DIPO assists exporting companies in the de-

veloping countries by helping them to find contacts among Danish importers and by providing them with market information about the Danish market. DIPO receives and assists trade delegations and arranges meeting programmes for delegations and individual business people. Priority is given to exporters from the 16 focus countries for Denmark's development co-operation, the so-called Programme Countries: Benin, Burkina Faso, Egypt, Ghana, Kenya, Mozambique, Tanzania, Uganda, Zambia, South Africa, Bangladesh, Bhutan, Nepal, Vietnam, Bolivia and Nicaragua.

Visit DIPO's website www.dipo.dk for more information about the services provided. Under *Register your business offer* on the website you can register your company and business offer. Suitable business offers are advertised on the *Market place* on the website and business offers screened by DIPO will be sent directly to relevant importers by e-mail. On request DIPO assists Danish importers to identify suppliers in developing countries. All services are free of charge.

Norway:

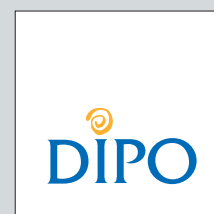
Norad

Norad is the *Norwegian Agency for International Development*, an agency under the Ministry of Foreign Affairs. Norad provides the aid administration with technical advice, finances Norwegian and international aid organisations and provides quality assurance and evaluation of poor countries.

Norad supports the development of trade in many ways, mainly by developing the supply side and the infrastructure in developing countries and by facilitating imports to Norway and the international market. More information about Norad is available on the website www.norad.no.

HSH - Norwegian Office of Import Promotion

The operational contact with exporters and importers is handled by the *Federation of Norwegian Commercial and Service Enterprises (HSH)*. HSH represents both the trade sector (wholesalers, retailers, importers, agents and a wide range of industries) and the service sector (travel agencies, rental businesses, advertising agencies and many more). Exporters from developing countries, business support organisations (working as an interme-



diary organisation for business development and trade promotion) and Norwegian importers are invited to register at the website of the *Office for Import Promotion (OIP)*, www.hsh-org.no. You will then be able to access customised information. Priority is given to low and middle-income developing countries.

Under their agreement with Norad, HSH OIP promotes imports from developing countries in various ways, such as capacity building, studies of private sector development, the organization of trade missions from Norway to developing countries and audits of manufacturing plants.

The HSH OIP website gives access to a database where suppliers in developing countries who are interested in the Norwegian market can register. The database is operated by the CBI (see below) and companies are screened by CBI before they are added to the database. Companies in Norway who are interested in importing from developing countries may register in the database and check potential suppliers.

The HSH OIP website also gives access to studies of the Norwegian market for specific sectors such as textiles and clothing, hand-crafts etc.



Sweden: Sida

The Swedish Agency for International Development Cooperation, Sida, is a government agency under the Ministry for Foreign Affairs. The goal of the Swedish development co-operation is to help create conditions that will enable poor people improve their lives. Sida's trade support therefore aims to assist developing countries integrate into the world economy in a way that makes it possible for them to benefit from trade, promoting sustainable, poverty-reducing growth.



In this work, Sida supports trade development, including the capacity to fulfil quality requirements of export markets and export promotion, which is closely related to the activities in terms of private sector development. It also includes establishing regulations and structures to ensure that imports meet national consumer health and safety standards.

Trade Promotion Programme of the Swedish Chambers of Commerce

The Swedish Chambers of Commerce have a specific programme in order to support exporters from developing countries. The programme is co-funded by the *Swedish International Development Cooperation Agency*, Sida and is open to all developing countries in Africa, Asia, Latin America, Eastern and Central Europe.

The programme assists business support organisations in developing countries and the embassies based in Sweden with trade promotion.

Sector and product development projects are also carried out in a number of developing countries.

Detailed information on all services provided can be found at: www.cci.se/trade

Contact: tradeoffice@chamber.se

Market information. The Chambers of Commerce produce market information for a large number of sectors and product groups. The market briefs provide information on import patterns, product descriptions, distribution channels and business opportunities and can be downloaded at www.cci.se/marketbriefs

Business contacts. *Chamber Trade* is an internet-based meeting point for companies all over the world. Exporters can register their business offers and search for partners and customers. Registration is free of charge, and the database is promoted towards Swedish and international business communities.

Visit www.chambertrade.com

e-mail tradeoffice@chambertrade.com.

Incoming delegations. The Chambers can assist in coordinating programmes for incoming business delegations from a number of developing countries. Special matchmaking with Swedish importers can be arranged as well as specific training arrangements.



Open Trade Gate Sweden

is a special facility set up by the Government of Sweden to strengthen the capacity of developing countries to trade and export to Sweden. Open Trade Gate Sweden provides exporters in developing countries with free information on trade rules and regulations applicable to the Swedish and the EU market. Exporters will also get assistance to interpret trade rules and regulations that exporters need to comply with.

Open Trade Gate Sweden will also investigate and help overcoming any trade barriers in the Swedish trade regulations, if applicable.

Website www.opentradegate.se
Contact: info@opentradegate.se

Other actors:

ITC: International Trade Centre

ITC is the technical cooperation agency of the United Nations Conference on Trade and Development (UNCTAD) and the World Trade Organisation (WTO) for operational, enterprise-oriented aspects of trade development. ITC supports developing and transition economies, and particularly their business sectors, and works in six areas: Product and market development; development of trade support services; trade information (including market surveys); human resource development; international purchasing and supply management; needs assessment, programme design for trade promotion.

ITC regularly issues a *World Directory of Trade Promotion Organisations and other Foreign Trade Bodies*. More information is available on ITC's website www.intracen.org.





CBI: Centre for the promotion of imports from developing countries

This agency of the Dutch Ministry of Foreign Affairs was established in 1971 and promotes import to the European market through a range of products. More information about CBI is available on www.cbi.nl. The website is frequently updated and free of charge; however, you are required to register.

CBI AccessGuide www.cbi.nl/accessguide is a web-based information service that provides a detailed review of requirements regarding the European market, which in effect are important non-tariff trade barriers. Both legal and the more informal market requirements (such as labels, management systems and codes of conduct) are covered. The database relates to primary industry products (agricultural, forestry or fishery), consumer products, industrial products and services; more than 30 market sectors are included. There are links to a large number of additional websites. In 2005, the database was extended to include specific requirements in Norway that vary from the EU requirements.

EU market information database is an extensive and up-to-date market information database containing EU market information such as market size, distribution, prices and margins, marketing guidelines and EU market access re-

quirements. Market surveys are available for about 40 product groups. The surveys are regularly updated and are available both in paper and electronic format. Several studies are specific to the Norwegian market and are available on the HSH OIP website, see above. Furthermore, several trade related manuals can be downloaded. From 2006, the database will include information presently found in the AccessGuide. This part of the database will be extended to include specific requirements regarding Denmark and Sweden, in addition to Norway.

Export development programmes are designed to assist entrepreneurs in developing countries in entering and thereafter succeeding on the EU market. Selected participants receive individual support over several years through on-site consultancy, training schemes, trade fair participation, business-to-business activities and general market entry support. More limited training programmes are also offered.

The export readiness test available on www.cbi.nl can help you to assess your export readiness and guide you in preparing your business for the EU market. The test takes only a few minutes to complete and provides you with feedback on strong sides and areas for improvement.

Annex 1: Acronyms

ACP	African, Caribbean and Pacific Ocean
CBI	Centre for Promotion of Imports from Developing Countries
CE	Common European marking of products under New Approach directives
CEN	The European Standards Organisation
CENELEC	European Committee for Electro-technical Standardization
CEO	Chief Executive Officer
CIF	Cost, Insurance and Freight included
DANIDA	The Danish International Development Assistance
DIPO	Danish Import Promotion Office for Products from Developing Countries
€	Euro, the European monetary unit
EEA	European Economic Area
ETSI	European Telecommunications Standards Institute
EU	European Union
FOB	Free On Board
GAP	Good Agricultural Practice
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GMT	Greenwich Mean Time
GSP	General System of Preferences
HACCP	Hazard Analysis and Critical Control Points
HS	Harmonised Commodity Description and Coding System
HSE	Occupational Health and Safety
HSN	Federation of Norwegian Commercial and Service Enterprises
HTS	Danish Chamber of Commerce
ILO	International Labour Organisation
ISO	International Organisation for Standardisation
ITC	Information Technology and Communication
ITC	International Trade Centre
L/C	Letter of Credit
LDC	Least Developed Country
Norad	Norwegian Agency for Development Cooperation
OECD	Organisation for Economic Cooperation and Development
Sida	Swedish International Development Cooperation Agency
SME	Small and Medium-sized Enterprise
SPS	Sanitary and Phytosanitary Requirements
TBT	Technical Barriers to Trade
UN	United Nations
VAT	Value Added Tax
WTO	World Trade Organisation

Annex 2: Internet information sources

This Annex lists a range of websites of a general nature as well as specific websites for one of the Scandinavian countries or for certain products. Internet searches are the most efficient method to obtain updated information.

1. This is Scandinavia

www.visitdenmark.com

General information about Denmark

www.visitnorway.com

General information about Norway

<http://english.norge.no>

General information about Norway

www.norway.no

Information of Norwegian embassies and delegations

www.odin.no

Information from the Norwegian government and ministries, including addresses of embassies

www.ssb.no

Statistics Norway. Detailed statistical information on Norway

www.scb.se

Statistics Sweden

www.isa.se

Invest in Sweden Agency

3. Benefit from lower customs duties

<http://export-help.cec.eu.int>

The European Union offers information on e.g. duty rates, customs preferences and HS codes online at the website of the European Commission, Expanding Exports Helpdesk. In



www.odin.no

Information from the Norwegian government and ministries.

www.sweden.se

General information about Sweden

www.sweden.gov.se

Official information from the Swedish government

www.wwlink.se/gateway/english

Gateway to Sweden

2. Scandinavian Economy

www.investindk.dk

Invest in Denmark is part of the Danish Trade Council in the Ministry of Foreign Affairs of Denmark

www.statistikbanken.dk

StatBank Denmark contains detailed statistical information on the Danish society.

order to find the HS code, click *Imports & tariffs* and then *Product code*.

www.wto.org

World Trade Organization. Including the TBT and SPS agreements

<http://europa.eu.int>

European Union

<http://europa.eu.int/comm/trade>

Directorate General Trade of the European Commission

http://europa.eu.int/comm/taxation_customs/customs/customs_duties/rules_origin/index_en.htm

Directorate General Taxation and Customs of the European Commission, including information about rules of origin and documentation in the EU

http://europa.eu.int/comm/taxation_customs/resources/documents/guide-annex_4-en.pdf
Certificate of origin Form A

www.skat.dk

Information regarding the Danish customs systems. Click "International"

www.toll.no.

Information regarding the Norwegian customs systems. Click the British flag.

www.toll.no/index_emne1.htm

Handbook on the Norwegian Generalized System of Preferences (GSP)

www.tullverket.se

Information regarding the Swedish customs systems

www.fvm.dk

Danish Ministry of Food, Agriculture and Fisheries, which includes the WTO enquiry point for SPS issues

www.dsb.no

Directorate for Civil Protection and Emergency Planning. The responsibility of the directorate includes general product safety (ex. chemical), fire, explosions and electrical safety in Norway.

www.odin.dep.no/lmd

Norwegian Ministry of Agriculture, which includes the WTO enquiry point for SPS issues.

www.mattilsynet.no

Norwegian Food Safety Authority is the surveillance authority for healthy and safe foodstuffs and safe drinking water in Norway. The Authority promotes human, plant, fish and animal health, environmentally-friendly production, and ethically acceptable farming of animals and fish.

www.sft.no

Norwegian Pollution Control Authority is the surveillance authority for a range of pollution and chemical product safety issues in Norway. The website contains specific information on Norwegian legislation.

www.standard.no

Standard Norge, the national standards body of Norway, which includes the WTO enquiry point for TBT issues.

www.pronorm.no

The sales organisation for standards in Norway

www.kommers.se

The Swedish National Board of Trade, which includes the WTO enquiry point for TBT and SPS issues

www.naturvardsverket.se

Swedish Environmental Protection Agency

www.slv.se

Swedish National Foodstuffs Administration

www.sjv.se

Swedish Board of Agriculture

www.sis.se

Swedish Institute of Standards: the national standards body of Sweden.

4. Legal Requirements

www.newapproach.org

The 'New Approach Standardisation in the Internal Market' website with information on CE-standardisation



<http://europa.eu.int/comm/food>

The EU food safety website – from the farm to the fork

www.efsa.eu.int

European Food Safety Authority

www.cbi.nl/accessguide

A database for legal and other requirements regarding about 20 product groups, including national requirements in a number of European countries

www.msl.dk

Danish Environmental Protection Agency

www.ds.dk

Dansk Standard, the Danish national standards body, which includes the WTO enquiry point for TBT issues

www.foedevarestyrelsen.dk

Danish Veterinary and Foodstuffs Administration



5. Market Requirements

www.cbi.nl/accessguide

A database for legal and other requirements regarding about 20 product groups, including national requirements in a number of European countries

www.cci.se/marketbriefs

The website of the Swedish Chambers offers more than 50 guides to different products and business sectors

www.iccwbo.org/index_incoterms.asp

The website of Incoterms giving information of conditions for transport and liability in that respect. Try for instance the "Incoterms wallchart", which gives a descriptive illustration of precisely when and where the transfer of liability happens.

www.iso.org

International Organisation for Standardisation

www.finansraadet.dk/english

The Danish Bankers Association

www.bankforeningen.no

The Norwegian Bankers Association

www.dnv.com

Det Norske Veritas. A major international certification body for products, management systems etc.

www.bankforeningen.se/members.aspx

Banks in Sweden

6. Access to the Scandinavian Market

www.kompass.com

International company registry

www.europages.com

European company registry

www.fairlink.se

Scandinavian Fair Registry

Denmark

www.bellacenter.dk

Denmark's largest exhibition centre

www.ciff.dk

Copenhagen International Fashion Fair

www.cphvision.dk

The Scandinavian Design and Streetwear Exhibition

www.furniturefair.dk

Copenhagen International Furniture Fair

www.formland.dk

The largest purchasing fair in Scandinavia for gift items, furnishing accessories, design and interior products.

www.danishexporters.dk

A commercial guide about Denmark and Danish exporters

www.di.dk

The Confederation of Danish Industries

www.hvr.dk

The Danish Federation of Small and Medium-Sized Enterprises



www.agriculture.dk

The Danish Agricultural Council

www.hts.dk

The Danish Chamber of Commerce

www.dhs.dk

Danish Commerce and Services

www.danmarksagentforening.dk

The Danish Association of Commercial Agents

www.statistikbanken.dk

StatBank Denmark contains detailed statistical information on the Danish society

www.danmarksrederiforening.dk

Danish Shipowners' Association

Norway

www.bizkit.no

Norwegian company registry including specific company information

www.gulesider.no
Norwegian Yellow Pages

www.messe.no
Norges Varemesse. The largest exhibition centre of Norway

www.nho.no
Confederation of Norwegian Enterprise

www.nortrade.com
The official Norwegian trade portal and export directory

www.rederi.no
Norwegian Shipowners' Association

Sweden

www.wwlink.se/gateway/english
Gateway to Sweden

www.svensktnaringsliv.se
Confederation of Swedish Enterprises

www.agenturforetagen.se
Swedish Association of Agents

www.swedishtrade.se
Swedish Trade Council – promoting Swedish export

www.cci.se
Swedish Chambers of Commerce

www.svenskhandel.se
Swedish Federation of Trade/Import Promotion Office

www.itsweden.com
IT Sweden

www.teko.se
Swedish Textile and Clothing Industries Association

www.plastkemiforetagen.se
Plastics and Chemicals Federation

www.transportgruppen.se
The Transport Group

www.lif.se
The Swedish Association of the Pharmaceutical Industry

www.branchgrupperna.se
Trade Associations within the Swedish Engineering Industries

7. Assistance to exporters

www.um.dk/en
Ministry of Foreign Affairs of Denmark.
Including DANIDA – Danish International Development Agency

www.diiis.dk
The Danish Institute for International Studies

www.dipo.dk
DIPO – Danish Import Promotion Office

www.hsh-org.no
HSH, the Federation of Norwegian Commercial and Service Enterprises

www.norad.no
Norwegian Agency for Development Cooperation

www.odin.no/ud/english/bn.html
The Norwegian Ministry of Foreign Affairs

www.sida.se
Swedish International Development Cooperation Agency

www.cci.se/trade
Swedish Chambers Trade Promotion Programme

www.opentradegate.se
Open Trade Gate Sweden




www.cbi.nl
The Dutch Centre for Promotion of Imports from Developing Countries

www.cbi.nl/accessguide
A database for legal and other requirements regarding about 20 product groups, including national requirements in a number of European countries

www.intracen.org
ITC – International Trade Centre in Geneva



Annex 3: Import statistics

Imports by commodity (2003)	 Denmark		 Norway		 Sweden	
	€ mill	%	€ mill	%	€ mill	%
Total	4 9912.2	100.0	35 405.9	100.0	73 782.3	100.0
Meat and meat preparations	610.7	1.2	57.3	0.2	563.5	0.8
Dairy products and birds' eggs	398.8	0.8	40.8	0.1	314.0	0.4
Fish, crustaceans, molluscs	1 239.6	2.5	295.0	0.8	915.8	1.2
Animal fodder	716.6	1.4	239.0	0.7	222.5	0.3
Other foodstuffs and live animals	2 087.0	4.2	1 378.9	3.9	2 660.9	3.6
Beverages and tobacco	741.8	1.5	384.5	1.1	825.9	1.1
Cork and wood	632.2	1.3	459.9	1.3	680.8	0.9
Metalliferous ores, metal scrap	57.1	0.1	1 405.2	4.0	636.1	0.9
Other crude materials, except fuels	1 044.8	2.1	578.5	1.6	996.4	1.4
Animal and vegetable oil, fats and waxes	253.9	0.5	169.4	0.5	186.3	0.3
Coal, coke and briquettes	333.0	0.7	95.2	0.3	242.0	0.3
Petroleum, petroleum products	1 824.5	3.7	975.6	2.8	5 651.1	7.7
Gas, natural and manufactured	2.7	0.0	71.7	0.2	353.2	0.5
Electric current	168.7	0.3	500.7	1.4	675.2	0.9
Medical and pharmaceutical products	1 525.7	3.1	962.3	2.7	1 955.6	2.7
Other chemicals and related products	4 046.2	8.1	2 605.8	7.4	5 981.5	8.1
Paper, paperboard and there of articles	1 344.6	2.7	787.5	2.2	1 086.7	1.5
Textile yarn, fabrics, and related products	1 048.3	2.1	529.7	1.5	1 033.1	1.4
Non-metallic mineral manufactures	788.5	1.6	544.4	1.5	851.9	1.2
Iron and steel	1 540.3	3.1	952.9	2.7	2 792.6	3.8
Non-ferrous metals	647.7	1.3	707.9	2.0	1 211.0	1.6
Manufacture of metals	1 600.3	3.2	1 347.8	3.8	2 019.1	2.7
Other manufactured goods	1 033.3	2.1	759.4	2.1	1 484.7	2.0
Power-generating machinery	876.5	1.8	669.7	1.9	2 184.0	3.0
Special industrial machinery	1 563.0	3.1	1 236.6	3.5	1 761.0	2.4
General industrial machinery	2 370.2	4.8	1 837.2	5.2	3 788.2	5.1
Office machines and adp machines	2 607.6	5.2	1 646.1	4.7	3 078.6	4.2
Telecommunications, sound-recording apparatus	2 487.9	5.0	1 364.1	3.9	3 844.3	5.2
Electrical machinery, apparatus, appliances	2 733.0	5.5	1 868.4	5.3	5 059.3	6.9
Prefabricated buildings	332.5	0.7	318.7	0.9	354.1	0.5
Furniture and associated parts	816.3	1.6	857.7	2.4	1 228.3	1.7
Travel goods, handbags	97.7	0.2	73.9	0.2	105.4	0.1
Clothing and clothing accessories	2 375.7	4.8	1 370.5	3.9	2 212.0	3.0
Other manufactured articles	4 097.3	8.2	3 249.8	9.2	5 543.6	7.5
Road vehicles	3 270.4	6.6	3 416.0	9.7	7 914.1	10.7
Other transport equipment	1 606.8	3.2	1 510.4	4.3	1 184.7	1.6
Other machinery and transport equipment	189.1	0.4	109.3	0.3	361.2	0.5
Other commodities and transactions	801.9	1.6	27.9	0.1	1 823.3	2.5

Source: Nordic Statistical Yearbook 2004

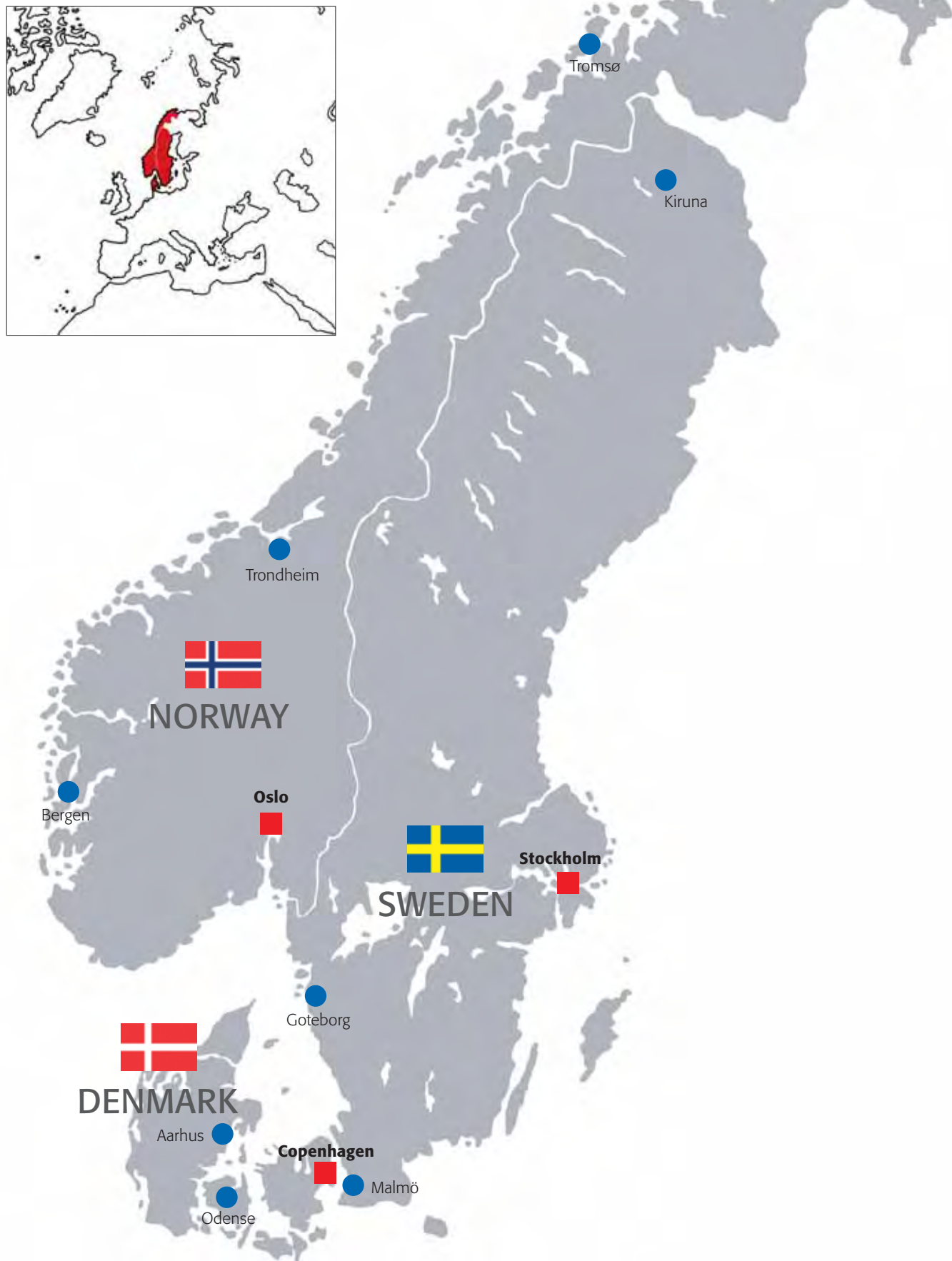
Annex 4: Least Developed Countries and countries of preference

Name of country*)	The EU GSP system is applicable	The Norwegian GSP system has been implemented
AFGHANISTAN	X	X
ANGOLA	X	X
BANGLADESH	X	X
BENIN	X	X
BHUTAN	X	X
BURKINA FASO	X	
BURUNDI	X	
CAMBODIA	X	
CAPE VERDE ISLANDS	X	X
CENTRAL AFRICAN REPUBLIC	X	
CHAD	X	
COMOROS	X	
DEMOCRATIC REPUBLIC OF CONGO	X	X
DJIBOUTI	X	
EAST TIMOR	X	X
EQUATORIAL GUINEA	X	
ERITREA	X	
ETHIOPIA	X	X
GAMBIA	X	X
GUINEA	X	X
GUINEA-BISSAU	X	
HAITI	X	X
KIRIBATI	X	
LAOS	X	X
LESOTHO	X	X
LIBERIA	X	X
MADAGASCAR	X	X
MALAWI	X	X
MALDIVES	X	X
MALI	X	X
MAURITANIA	X	
MOZAMBIQUE	X	X
MYANMAR		X*)
NEPAL	X	X
NIGER	X	X
RWANDA	X	
SAMOA	X	
SAO TOMÉ AND PRÍNCIPE	X	
SENEGAL	X	X
SIERRA LEONE	X	
SOLOMON ISLANDS	X	
SOMALIA	X	
SUDAN	X	X
TANZANIA	X	X
TOGO	X	X
TUVALU	X	
UGANDA	X	X
VANUATU	X	
YEMEN	X	
ZAMBIA	X	X

Source: OECD, Doc list dated 1 January 2003

*) Excluded as from 30 May 1997 and until further notice

Annex 5: Map of Scandinavia



Colophon

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Danida



Denmark

The Ministry of Foreign Affairs
The Danish International Development Assistance DANIDA
Asiatisk Plads 2
DK-1448 Copenhagen K
Denmark
Tel.: +45 3392 0000
Fax: +45 3254 0533
Internet: www.um.dk www.danida.dk
e-mail: um@um.dk

The Danish Chamber of Commerce
The Danish Import Promotion Office DIPO
Boersen
Slotsholmsgade
DK-1217 Copenhagen K
Denmark
Tel.: +45 7013 1200
Fax: +45 3312 0525
Internet: www.dipo.dk
e-mail: dipo@hts.dk

Norway



Norad

Norad
Norwegian Agency for Development Cooperation
P. O. Box 8034 Dep, NO-0030 Oslo, Norway
Ruseløkkveien 26
Tel: +47 22 24 20 30
Fax: +47 22 24 20 31
Internet: www.norad.no
e-mail: postmottak@norad.no

HSH - Norwegian Office of Import Promotion
Federation of Norwegian Commercial and Service Enterprises
P. O. Box 2900 Solli, NO-0230 Oslo, Norway
Drammensveien 30
Tel: +47 22 54 17 00
Fax: +47 22 56 17 00
Internet: www.hsh-org.no
e-mail: info@hsh-org.no

Sweden



Sida

Sida
Swedish International Development Cooperation Agency
SE-105 25 Stockholm, Sweden
Sveavägen 20
Tel: +46 8 698 50 00
Fax: +46 8 20 88 64
Internet: www.sida.se
e-mail: info@sida.se

The Swedish Chambers of Commerce
P.O. Box 16050, SE-103 21 Stockholm, Sweden
Västra Trädgårdsgatan 9
Tel: +46 8 555 100 00
Fax: +46 8 566 316 30
Internet: www.cci.se/trade
e-mail: tradeoffice@chamber.se