



VENTURE NORTH

Invest in Rana Region Norway

Financing in Norway

Introduction for foreign companies wishing to establish operations

1. Introduction to Norway's Economic Landscape

1.1 Overview of Norway's Economy and Industry

Norway boasts a strong economy based on natural resources, particularly oil and gas, as well as advanced green technology, maritime industries, and aquaculture. With high standards of living, robust welfare systems, and a well-educated workforce, Norway offers a stable, attractive environment for companies seeking expansion into developed markets.

1.2 Attractiveness for International Companies

Norway's stability, openness, and progressive tech sector make it an appealing destination for international investment. With an emphasis on sustainable development, especially in renewable energy and digitalisation, foreign companies focused on innovation and sustainability can find a natural market. However, competition and high operating costs are notable challenges in the Norwegian market.

1.3 Purpose of this Document

This document provides a non-exhaustive overview of available financial support, investment opportunities, and practical considerations that international businesses should know when establishing operations in Norway. The guide broadly covers governmental, municipal, and private funding sources as well as regulatory factors. For detailed information please contact the Venture North team.

2. Public Funding and Financial Opportunities

Norway has a well-structured innovation support system. It provides various funding opportunities across different stages of technological development. The funding landscape can be broadly categorised based on the Technology Readiness Level (TRL) scale, ranging from early-stage research to large-scale commercial investments.

At the early stages, the Norwegian Research Council (NFR) is the key player, offering grants for basic research, experimental development, and industrial research. As projects progress towards commercialisation, Innovation Norway steps in, providing funding with a focus on commercialisation, business development, and international expansion. Finally, as projects mature and move towards large-scale investments, Enova plays a central role in supporting investments that drive the transition to a more sustainable and energy-efficient future.

While this is a general presentation of the framework, there are exceptions and specific nuances depending on the type of project, sector, and other factors. The Norwegian funding system is designed to support innovation across all stages, fostering a robust ecosystem for research, development, and commercialisation.

2.1 The Research Council of Norway

SkatteFUNN (R&D Tax Incentives) is a tax incentive scheme supporting research and development (R&D) for companies operating in Norway. International companies registered in Norway are eligible to apply for SkatteFUNN. SkatteFUNN offers a 19 per cent tax deduction of the costs of a R&D project. [More information available here.](#)

Companies must be registered in Norway with the [Brønnøysund Register Centre](#), and projects must meet the requirements for innovation and value creation.

The approved projects shall aim to develop or improve a product, service, or process by addressing an R&D challenge without existing solution, systematically generating new knowledge, and being distinct from the company's normal operations.

Innovation Project for the Industrial Sector (IPN)

This funding scheme is open to companies with a heavy focus on R&D activities where new technology, new knowledge and/or new markets are the main focus. Sole proprietorships and research organisations cannot be formal applicants, but R&D projects like this strongly recommends either an R&D organisation participating, or inhouse R&D knowledge.

The areas of interest changes regularly, but topics such as industry, energy, environment, ocean and food are typically consistent.

There are several other opportunities in the Research Council, [find all funding programs here](#).

2.2 Innovation Norway

Innovation Norway offers grants, loans, and risk capital for innovative projects and actively supports international companies aiming to contribute to Norwegian economic development. Specifically, Innovation Norway offers funding for startups, scaleups and export and international markets. Key support programs include:

- Startup grants and loans: Assistance for covering initial startup costs.
- Market clarification grants: Financial support for conducting market research to assess Norway's market potential.
- Innovation project funding: Grants to support technological development and R&D in industries such as health, energy, and digitalisation.

Each county in Norway has been given administrative responsibility for the funds allocated to Innovation Norway from the state budget. Contact Venture North to find the correct county. For more information, meanwhile, [here is a list of all funding programs](#) supported by Innovation Norway.

2.3 Enova – Energy and Climate Support

Enova is a key agency in Norway's transition to a low-emission society. Its mission is to reduce greenhouse gas emissions, foster technology development and innovation, and create new value. In addition, Enova offers various targeted support programs to encourage the adoption of energy-efficient and climate-friendly solutions. These programs are designed to help businesses across multiple sectors reduce their environmental impact and enhance energy performance.

[Enova's programs](#) cover various areas, such as vehicle and fleet electrification, renewable energy (solar, wind, hydro), and building energy efficiency.

2.4 Municipal Support and Incentives:

Many Norwegian municipalities offer support to attract businesses that generate local value and employment. Some also provide practical assistance and infrastructure subsidies for companies establishing a local presence. Venture North can help navigate local and regional funding schemes.

Incubators and Business Parks: Certain municipalities offer subsidised rental agreements in business parks or incubators, a valuable springboard for startups aiming to enter the Norwegian market.

2.5 EU funding

Norwegian entities such as the Norwegian Research Council, Innovation Norway and Enova all provide assistance and navigation in the EU funding scheme system.

For Norwegian-registered companies you can also apply for funding through PES – Support for Project Establishment and Positioning through the abovementioned entities.

3. Private Financing Options and Investors

3.1 Banks and Credit Institutions

Norwegian banks provide financing and credit to companies establishing operations in Norway, offering products like investment loans and working capital credit lines.

Banks offer both long-term loans for infrastructure investments and short-term credit for working capital.

Norwegian banks are accustomed to working with international businesses and can offer services like currency accounts and guidance on Norway's financial systems.

3.2 Private Equity and Venture Capital

Private equity and venture capital play a vital role in financing growth companies in Norway. Investment funds such as Investinor and Nysnø Klimainvesteringer focus on sectors with high growth potential and sustainability.

Venture capital funds primarily target industries such as technology, healthcare, renewable energy, and climate innovation.

For companies looking to export from Norway, Norad, Norfund and Eksfin are also key actors.

3.3 Public-Private Partnerships (PPP)

Public-private partnerships (PPP) are common in Norway, particularly in infrastructure and technology development. International companies can establish a partnership with Norwegian government entities, gaining both financial support and practical benefits.

- Examples of PPP Projects: Infrastructure development projects such as roads, energy systems, and smart city solutions.

- Benefits of PPP: Risk and cost-sharing between the public and private sectors make it easier to realise large-scale projects.

4. Legal and Regulatory Considerations

4.1 Company Registration Requirements

To operate in Norway, international companies must register with the Brønnøysund Register Centre, including both the Central Coordinating Register for Legal Entities and the Register of Business Enterprises.

Process: International companies can establish either a branch or a wholly owned subsidiary. The choice of corporate structure depends on business needs and activities in Norway.

4.2 Work Permits and Visas

Work permits are required for foreign employees working in Norway, and adherence to Norwegian labour laws is mandatory.

Requirements for Foreign Employees: Specific visa and work permit requirements apply to various roles, including specialists and executives. **For international companies and/or companies that hire international staff, contact venture north for guidance.**

4.3 Taxes and Levies

Companies operating in Norway must comply with corporate tax, employer contributions, and VAT regulations, essential for efficient operations.

- Tax Policies: Norway has favourable tax treaties with several countries, which can help reduce the tax burden for international companies.

5. Challenges and Success Factors for Foreign Companies

5.1 Cultural and Language Barriers

While Norway has high language and cultural competency, adapting to local business norms can be challenging for international companies.

- Adaptation strategies: Investing in language skills and understanding local business culture is crucial for success.

5.2 Integration into the Norwegian Market

Success in Norway relies on a local presence and networking. Many international companies achieve growth through partnerships with Norwegian firms and active participation in business networks.

5.3 Conclusion and Recommendations

For international companies considering establishing a presence in Norway, exploring support options through Innovation Norway, Enova, and municipal business programs is recommended. Understanding Norwegian regulatory requirements and adapting marketing strategies will be essential for a successful market entry.

This outline can be formatted and supplemented with any specific data or examples to create a full-length document. Adding charts, tables, or case studies would further enhance its detail and utility. Let me know if you need any further customization!