



U.S. Department of State FY 2000 Country Commercial Guides: Denmark

The Country Commercial Guide for Denmark was prepared by U.S. Embassy Copenhagen and released by the Bureau of Economic and Business in July 1999 for Fiscal Year 2000.

TABLE OF CONTENTS

- I. EXECUTIVE SUMMARY
- II. ECONOMIC TRENDS AND OUTLOOK
- III. POLITICAL ENVIRONMENT
- IV. MARKETING U.S. PRODUCTS AND SERVICES
- V. LEADING SECTORS FOR U.S. EXPORTS AND INVESTMENTS
- VI. TRADE REGULATIONS, CUSTOMS AND STANDARDS
- VII. INVESTMENT CLIMATE
- VIII. TRADE AND PROJECT FINANCING
- IX. BUSINESS TRAVEL

APPENDICES

- A. COUNTRY DATA
- B. DOMESTIC ECONOMY
- C. TRADE
- D. INVESTMENT STATISTICS
- E. U.S. AND COUNTRY CONTACTS
- F. MARKET RESEARCH
- G. TRADE EVENT SCHEDULE

I. EXECUTIVE SUMMARY

This country commercial guide (CCG) presents a comprehensive view of Denmark's commercial environment, using economic, political and market analysis. The CCGs were established by recommendation of the Trade Promotion Coordinating Committee (TPCC), a multi-agency task force, to

consolidate various reporting documents prepared for the U.S. business community. Country Commercial Guides are prepared annually at U.S. embassies through the combined efforts of several U.S. government agencies.

Denmark is a constitutional monarchy which shares a southern border with Germany. From June 2000, it will be connected by bridge to southern Sweden. Its total area of 43,093 square kilometers is slightly larger than that of Massachusetts and New Hampshire combined. The country offers a home market of 5.3 million people, and its modern infrastructure and distribution system, a highly skilled labor force, and its central location make it an excellent distribution point for the Scandinavian, Northern Europe and Baltic markets, with a total population of over 50 million. Denmark's standard of living, per capita GDP of US Dollars 33,270 in 1998, is among the highest in the world.

The United States is Denmark's largest trading partner outside the EU and has a share of roughly five percent of the Danish import market. Political and commercial relations with the United States are excellent.

Denmark is a full member of the European Union. Its economy is heavily export oriented and Denmark therefore is a firm advocate of liberal trade and investment policies. It actively encourages foreign investment. There are about 250 American subsidiaries. There are very few ownership restrictions. The figures for U.S. investments in Denmark increased sharply in 1998, when Ameritech took over the controlling interest in the national telephone company, TeleDanmark. U.S. FDI in Denmark totals some \$6 billion. Foreign investors receive national treatment and can benefit from national investment incentive programs. There is a well-established system of commercial law. Expropriation is almost entirely limited to public construction purposes for which full compensation is paid. There are no restrictions on capital transfers and no foreign exchange restrictions. Worker productivity is high, inflation low, and corporate taxation among the lowest in the EU. Danish wages are high but employer contributions to social welfare are very low, which results in lower total labor costs than most Northern EU members. Property, including intellectual property, is well protected.

Denmark buys from the United States machinery and capital equipment, especially computers, aircraft, and scientific instruments. Other important U.S. exports to Denmark are military equipment, pharmaceuticals, chemicals, wine, forest products, foodstuff, fresh vegetables, tobacco, fodder, and nuts. American owned firms in Denmark are prominent in computer hardware and software services, telecommunications, and the food industry.

The most promising prospects for market growth for U.S. non-agricultural companies in the forthcoming year include electronic data processing equipment, telecommunication services, tourism services, environmental control equipment, electrical power systems, offshore oil and gas field equipment, and advanced medical equipment. The most promising agricultural export prospects are wine, forest products, foodstuff (dog and cat food), fresh vegetables, and processed foods.

U.S. companies are expected to maintain and expand their market share in forthcoming years. Particularly in high-technology areas, such as information technology and medical equipment, U.S. companies are already market leaders and are expected to increase their lead. The presence of about 250 American owned service, sales and manufacturing companies engaged in a variety of trades proves that the Danish market is open and accessible.

The American Embassy in Copenhagen assists U.S. companies in their export efforts, not only to Denmark, but also through Denmark as a distribution center for the Nordic/Baltic region.

Country Commercial Guides are available for U.S. exporters on the National Trade Data Bank on CD-Rom or via the internet. Please contact STAT-USA at 1-800-STAT-USA for more information. Country Commercial Guides can be accessed via the world wide web at <http://www.stat-usa.gov> and <http://www.state.gov>, and <http://www.mac.gov>. They can also be ordered in hard copy or on diskette from the National Technical Information Service (NTIS) at 1-800-553-NTIS.

U.S. exporters seeking general export information/assistance and country-specific commercial information should contact the U.S. Department of Commerce, Trade Information Center by phone at 1-800-USA-TRAD(E) or by fax at (202) 482-4473.

II. ECONOMIC TRENDS AND OUTLOOK

Major Trends and Outlook: Denmark's Social Democratic (SDP)-led minority government took office in 1993 and remained following the March 1998 elections. In its first four years, the Government succeeded in pursuing a carefully monitored stop-and-go economic and fiscal policy strategy, without jeopardizing medium-term economic growth, low inflation and the balance of payments. 1998 saw some overheating of the economy as unemployment dropped far below its structural level and the balance of payments surplus turned into a deficit, not least due to continued large increases in private consumption. Despite the Government's initial economic success, a number of problems have not been resolved: a large number of government transfer income earners paid not to work, a growing public sector, and a large government debt. In June 1998, the Government introduced an austerity package to dampen economic activity, restore the balance of payments, and discourage household borrowing. The new package is expected to reduce economic growth to below two percent in 1999.

The major elements of the package are a one-third reduction in important household tax deductions, and increases in energy taxes. The resulting increase in government revenues is partly offset by reducing income taxes for the lowest paid, including transfer income earners. The business sector pays its part of the bill through shorter credit periods for reimbursement to the government of value-added taxes collected. There is broad agreement that the new package is likely to meet its goals, and that the underlying strength of the economy will not suffer. Public budgets will remain in surplus, the deficit on the balance of payments will become reduced, and slower economic growth will not increase unemployment to any significant extent. The inflation rate will remain slightly above two percent, and the Danish Krone's value vis-à-vis the new EU Euro, will remain stable. Business

investment is expected to stabilize or increase slightly. Growth in private consumption will be reduced to about two percent after annual increases in recent years of more than three percent. Public consumption growth is projected at around 1.5 percent annually and public investment is expected to stabilize after a drop of 5.2 percent in 1998. Imports of goods and services, with a growth averaging some six percent annually since 1994, is expected to stabilize at the 1998 level while growth in exports is expected to be about 1.5 percent. Consequently, the balance of payment deficit will be reduced to one percent of GDP compared with 1.4 percent in 1998.

Denmark's low inflation rates in recent years have averaged two percent, which has ensured wage earners real income gains of between one and two percent annually. Inflation is expected to remain at this level in both 1999 and 2000, providing for continuing real income increases. Hourly wage increases in 1999 and 2000 are projected at around between four and five percent each year.

Public and private sector employment rose by around two percent in 1998. The June 1998 austerity package aims at preventing a similar increase in 1999. The real growth projected for 1999 of less than two percent would correspond largely to projected productivity increases.

Official unemployment peaked in early 1994 at 12.6 percent of the labor force. By early 1999, it had fallen to six percent, or 167,000 people. Employment in the same period increased by a similar number, as new entrants to the labor force roughly equaled those who withdrew (taking advantage of government-funded leave programs and an early retirement program for long-term unemployed.) The present official unemployment level is below the estimated structural unemployment level, and labor bottlenecks have appeared, particularly in the building and construction sectors. Despite the strong underlying economy, more than 20 percent of the working age population lives on one or the other type of public transfer incomes. Although this number is falling, it remains a serious problem for the Danish economy and threatens the main pillars of the Danish welfare state (health, education and care for children and the elderly). The Government has succeeded in tightening availability to work rules, particularly for young people, and has made the government-funded parental leave program (introduced in 1994) much less attractive.

Almost two-thirds of Danish trade is with the EU. The United States is Denmark's largest non-European trading partner, accounting for close to five percent (\$4.5 billion) of total trade.

Danish exports of manufactures in 1998 rose around two percent compared to foreign market growth of some eight percent. Denmark has lost more than 10 percent in market shares since the mid-1990's and this situation is expected to continue in 1999 and 2000, albeit with smaller losses, due to the recent depreciation of the Danish Krone. The loss of market shares is not unique to Denmark since it is mostly due to the continued international work sharing which means that low-cost, i.e., non-OECD, countries gain international market shares. The Danish Krone is linked closely to the Euro which means that, since the end of 1998, it has depreciated 12 percent in relation to the Dollar, between 8 and 10 percent in relation to the Pound, the Norwegian Krone and the

Swedish Krone, and five percent to the Yen. These markets represent about 40 percent of Danish exports and with the consequent improvement in the Danish competitive position, prospects are good for increased exports to those countries.

Growth in imports for both 1999 and 2000 is expected to lag behind growth in exports, reflecting the effects of the June 1998 austerity package. Despite the increased value of the dollar, U.S. exporters are expected to lead in high technology, particularly information technology and aerospace.

The continuing, although smaller, Danish balance of payments deficit will keep the foreign debt at 24 percent of GDP by the end of 2000.

Business investment, corresponding to close to 15 percent of GDP, increased eight percent in 1998. Investment in construction and plants increased three percent in 1998, and is projected to fall slightly in both 1999 and 2000. Investment in equipment increased six percent in 1998 and will only increase slightly in 1999 and 2000. Public investment fell 5.2 percent in 1998 and is projected to stabilize in 1999 and 2000.

In 1998, the United States ranked seventh among Denmark's trading partners, and first among non-European sources, accounting for 4.8 percent of Danish trade in goods, 4.7 percent of exports and 5 percent of imports. Danish trade statistics measure the value of U.S. sales in 1998 as DKK 15.3 billion, an increase of 2.5 percent over 1997 (in dollar terms, U.S. sales increased one percent to \$2.3 billion). Despite a recent change in Danish trade statistics from a "country of origin" basis to a "last country of departure" basis, Danish statistics differ significantly from U.S. trade statistics, which show U.S. exports to Denmark at only \$1.9 billion in 1998. The difference may be due to Danish importers registering U.S. goods, which have been transshipped through other EU countries, as coming from the last port of call. Figures on Danish exports to the U.S. match U.S. import statistics. U.S. statistics show a U.S. trade deficit with Denmark of \$502 million.

Principal Growth Sectors: Denmark is an industrialized "value-added" country, dependent on supplies of raw materials and semi-manufactures. Its imports are very diversified. Major U.S. product categories sold are machinery and capital equipment, of which more than one-third is electronic data processing equipment, parts and peripherals; aircraft; scientific and technical instruments; and military equipment. Other important U.S. sales include chemicals; fodders; raw tobacco; nuts and almonds; pharmaceuticals; and wood and plywood. U.S. automobiles and vans have been making some inroads to the Danish market, but most U.S.-brand cars are made in Europe.

Computer software, management consulting services, tourism and shipping play important roles in Danish/U.S. services trade. U.S.-owned firms in Denmark have large shares of the Danish market for computer software services and management consulting services. Their annual sales exceed \$1 billion. More than 100,000 Danes visit the United States each year. There is currently no U.S.-flag airline serving Denmark on a scheduled non-stop basis but SAS cooperates with United Airlines on trans-

Atlantic flights in the so-called "Star Alliance". Denmark and the United States entered an "open skies" aviation agreement in early summer 1995.

The United States is by far the most important market for Danish shipowners, particularly those engaged in liner trade (container traffic) to and from the United States. Their U.S. engagement in 1998 produced more than 40 percent of Danish liner trade earnings, or close to one-third of total Danish freight earnings.

Government Role in the Economy: The public sector, with its more than 800,000 employees (28 percent of the labor force), plays a crucial role in the Danish economy. The Danish (Scandinavian) wealth sharing policy is based upon the public sector providing essentially all basic services: Health, social security, welfare and education. Created in the booming 1960s with full employment and far fewer women participating in the work force, the wealth sharing policy's validity and high cost are important issues on the political agenda. It remains politically difficult to introduce any major changes. Some vital government services are now suffering under the high cost of financing transfer income payments and servicing the large public debt, which together consume one-half of total public revenues (one-quarter of GDP). Hospitals and child day care centers have long waiting lists, which have led to use of private hospitals and private day care providers by wealthier Danes.

Privatization has been increasing in recent years. Many government-owned business entities have been sold (some only in part). These include: A life insurance company (100 percent), the national telecommunications company TeleDanmark (100 percent, U.S. company Ameritech holds a controlling interest), short-term export insurance (100 percent), Copenhagen Airports (49 percent), and the government's computer services company Datacentralen (75 percent sold to the U.S. Computer Sciences Corp.) The large Postal Service and Danish State Railroads companies have also been turned into private companies, but still with 100 percent government ownership. Some public services, including sanitation, cleaning and catering to public institutions, are increasingly being privatized.

The Danish tax burden is among the highest in the world - 51 percent of GDP in 1999. The economic upswing in recent years led to a small public budget surplus in 1997 of 0.1 percent of GDP which increased to 0.9 percent in 1998. The Government expects the surplus to increase to three percent of GDP in 1999. The Government's 1994 tax reform provided for gradually lowering the marginal income tax (state and local government taxes) through 1998. In 1999, marginal income taxes range from 40 percent (up to \$21,500 in taxable income) to about 60 percent (taxable income exceeding some \$37,000). In addition, and in order to partly offset income tax losses, the Government introduced a flat labor market contribution tax paid by employees which amounts to eight percent of gross income in 1999. Also, wage earners since 1998 have paid a 1.0 percent compulsory contribution to the labor market supplementary pension scheme. Income taxes for 1999 onwards were revised as part of the package of economic austerity measures introduced in June 1998. The revision will supposedly benefit low-income earners, chiefly welfare check recipients. The lowest income

tax rate will be gradually reduced by a total of 2.5 percentage points, and the minimum income level will be gradually raised (by some 23 percent) through 2002. This revenue loss will be more than offset by reductions in the value of tax deductions, notably debt interest payments and payments into capital pension funds. Most energy taxes will be increased by 20 percent by 2002. The business sector also pays its part of the bill, through reduced credit periods for reimbursement of value added taxes.

The Government in 1994 introduced extensive labor market measures, including temporary government-funded leave for child care, educational and sabbatical purposes; job and education offers to the unemployed and welfare check earners; and a transitional early retirement scheme for long-term unemployed over 50 years old. As unemployment fell and labor bottlenecks started to develop, the Government since 1996 has reduced the benefits of the parental leave program and abolished the sabbatical leave and the transitional early retirement scheme. Nonetheless, some 220,000 persons were on early retirement or taking government-funded leave in 1998.

The public sector budget as a whole (including local government and public pension funds) was in surplus by DKK 10.3 billion in 1998 (0.9 percent of GDP). This surplus is expected to increase to 2.9 percent and 2.2 percent of GDP in 1999 and 2000, respectively.

Denmark has decided not to participate in the third phase of the EU's Economic and Monetary Union (EMU), which started January 1, 1999 and introduced the common EU currency (the Euro). However, Denmark adheres to the economic policies of the Union, including meeting the convergence criteria for such participation. The Krone is closely linked to the Euro with a very narrow band (2.25%) of Central Bank intervention rates. The government's monetary and exchange rate policies, built on the German model, aim at price stability and building international confidence a strong Danish economy. Since the early 1990's, the Government has pursued a carefully balanced monetary policy, which has preserved international confidence in the Danish economy and a strong Krone.

Despite Denmark's strong economy and stable exchange rate, Danish interest rates remain slightly higher than those of the Euro. Real interest rates are relatively high in Denmark, some four percent on mortgage and business credit, and six to nine percent on standard consumer credit.

Balance of Payments Situation: The Danish balance of payments (BOP) in 1998 shifted into a deficit after eight years of surpluses. The BOP surplus peaked in 1993 at DKK 30.4 billion Kroner, or 3.4 percent of GDP. Since then, the surplus has been gradually reduced and turned into a deficit of DKK 14.8 billion in 1998. For 1999, the Government projects a continued, but smaller, deficit of DKK 12.5 billion, assisted by the June 1998 austerity package.

Trade in goods (fob/fob basis) in 1998 produced a surplus of DKK 23.5 billion, down from DKK 35.5 billion in 1997. The former surplus on trade in services turned into a deficit in 1998 of DKK 3.4 billion. The travel account, traditionally in deficit, deteriorated by DKK 2.2

billion to a deficit of DKK 8.9 billion. Denmark is now a net contributor to the EU, by DKK 3.4 billion in 1998. Net interest payments, including dividends paid to foreign investors, amounted to DKK 28 billion, up DKK 2.2 billion from 1997. In addition, Denmark paid about DKK 11 billion (one percent of GNP) in assistance to less developed countries.

The BOP deficit in 1998 put a temporary stop to the Government's plan to reduce and eliminate by year 2005 Denmark's net foreign debt which stood at 24 percent of GDP at the end of 1998. The public sector's foreign debt (including foreign exchange reserves) was DKK 256 billion and included krone-denominated central government bonds held abroad worth close to DKK 270 billion. The total public debt, domestic and foreign, at the end of 1998 amounted to DKK 648 billion (56 percent of GDP). The private sector's foreign debt (including commercial banks) stood at DKK 24 billion at the end of 1998.

III. POLITICAL ENVIRONMENT

Nature of the Bilateral Relationship with the United States:

Bilateral relations are excellent. NATO, the keystone of the American national security relationship with Denmark, is popular in Denmark, perhaps more so than in any other country in Europe. An overwhelming number of Danes favor Danish membership of NATO, and the Danes are also adamant that progress toward European integration should not come at the expense of transatlantic ties.

Major Political Issues Affecting the Business Climate: While political issues rarely affect the Danish business climate, the business sector opines that the Government's strong Krone policy and the series of environmental taxes imposed on business, pending introduction of similar taxes in Denmark's major competing countries, jeopardize Danish competitiveness. The business sector would also like to see a more flexible labor market and introduction of measures that increase the incentives of workers at minimum wage to work rather than seeking the relatively generous unemployment benefits.

Brief Synopsis of Political System, Schedule for Elections, and Orientation of Major Political Parties: Denmark is a constitutional monarchy. The Parliament, known as the Folketing, is elected for a four-year term. Often elections are held before the four years are up, either because the Government is toppled in a vote of confidence, or because the Prime Minister calls an election (which he can do at any time) in an attempt to improve the government coalition's parliamentary position. Denmark has a history of minority governments. The last election was held March 11, 1998.

With a few amendments (the latest and most comprehensive in 1953), the Constitution dates from 1849, when the King renounced absolutism. Today Denmark is among the most politically stable democracies. The Queen nominally rules through the Prime Minister and his Cabinet. As the Prime Minister is accountable to the Folketing (Denmark's unicameral parliament), the Queen "chooses" him based on recommendations from the leaders of the political parties.

The Prime Minister works through cabinet ministers and their ministries. Cabinet ministers need not be members of Parliament, although all but three of the current 20 ministers are. Ministers have no political Deputy Ministers or Secretaries of State as in other parliamentary democracies. Rather, they have a Permanent Under Secretary (in some instances more than one), who is the highest-ranking civil servant within the ministry. There are practically no political appointees among the civil servants, who therefore remain unaffected by changes of government.

The parliament has 179 members, including two each from Greenland and the Faeroe Islands, which are autonomous parts of the Danish realm.

Judicial power rests solely with the courts, although the Monarch on rare occasions grants pardons.

In 1998, 10 political parties are represented in the Folketing. Four of the parties have a parliamentary history of 80 years or longer. Political parties play a much greater role in Danish politics than in the United States, for two major reasons. The first is the system of awarding seats on the basis of proportional representation. The second reason is the fact that Folketing members represent their party policy over their electorate. They do not have their own staffs (nor, for that matter, do parliamentary committees). As a result, Danish parliamentarians must rely on their parties for support and technical expertise on legislative issues. Party discipline, as a consequence, is very tight.

The Government that was re-elected in 1998 is a minority coalition composed of two parties: The Social Democrats, and the Radicals (Social Liberals). Together, these parties control 72 of the 179 seats in the Folketing.

The Social Democratic Party (SDP, with 63 seats), is the party of Prime Minister Poul Nyrup Rasmussen and the largest party in the Folketing. Founded in 1871, the left-of-center SDP has been in government for most of the post-WWII era except for the 1950-53, 1968-71, 1973-75 and the 1982-93 periods. The SDP traditionally has support from the Danish Confederation of Trade Unions (LO).

The two major non-socialist opposition parties are the Venstre Party (42 seats in the Folketing) and the Konservative People's Party (16 seats). Their platforms and political objectives very much resemble each other and have long formed a stable basis for cooperation. Venstre favors reducing government power and budgets more than the Conservatives and is also a stronger supporter of European integration.

IV. MARKETING U.S. PRODUCTS AND SERVICES

Distribution and Sales Channels: Methods of distribution in Denmark vary with the type of product. Capital goods, commodities and industrial raw materials are most often handled by non-stocking sales agents. Specialized and high-technology products are frequently sold through fully owned subsidiaries of which there are probably more than 250, representing a substantial portion of U.S. corporate sales of products and services in Denmark. Consumer goods are usually sold

through importing agents and distributors, but increasingly also imported directly by major retailers such as department and chain stores.

The Danish food retail sector is dominated by two large retail chains (FDB and Dansk Supermarked) which account for over 50 percent of the total food retail market. These have substantial in-house wholesale and import divisions. There are about 30 significant independent food product importers in Denmark.

Use of Agents/Distributors, Finding a Partner: Today's modern communications have eliminated numerous barriers, but many Danish companies still prefer to deal with an established local agent or distributor, rather than buying directly from abroad. The Danish agent/distributor community has developed over centuries and is today a select and competitive group of businesses. Many sectors are dominated by a few powerful and quite conservative companies, which have spent decades establishing lasting relationships with their clients. There is now some slow movement toward direct purchasing, especially from European suppliers. This trend is especially evident in the food business, where the larger retail chains maintain in-house import divisions. At the same time, there is an increasing trend for foreign companies to establish branch offices in Denmark. Where a U.S. company does not wish to establish its own sales office in Denmark, it is advisable to seek a local agent or distributor. The U.S. Department of Commerce Agent/Distributor Search service (ADS) is an excellent vehicle for finding such a representative.

Franchising: Although franchising is not as widespread as in the United States, it is a well-known form of business, and more Danes are becoming interested in investing in franchising businesses. However, the bulk of franchise operated businesses are still of Danish or Scandinavian origin. American franchising companies also operate in Denmark. The longest established are McDonalds, Burger King and Kentucky Fried Chicken. Franchising is also common outside the fast food trade. Shoe-repair services, convenience stores, car rental, health clubs, and indoor tanning salons are examples. There are currently about 120 franchise systems in Denmark with about 2,600 outlets. These represent total annual sales of about \$3 billion (DKK 17 billion), a tripling over the last five years. The Danish Franchise Association (see appendix for address information) is a member of the International Franchise Association, headquartered in the U.S.A.

Direct Marketing: Danes are conservative consumers and, because of the small size of the country, used to easy and fast access to retail outlets. Door-to-door sales are generally considered an intrusion on privacy and, with few exceptions, are prohibited by law. Other forms of direct marketing prevail: telephone marketing is permitted, but its success rate with the conservative Danish consumer has been disappointing. The direct marketing which has most piqued consumer curiosity are combination mail-order catalogs and TV-Shop sales. Internet direct marketing and sales exist and are expected to increase during the next few years. Direct marketing, including internet sales, still plays an insignificant role in relation to total retail sales.

Joint Ventures/Licensing: Licensing and joint venture arrangements are common in Denmark. Danish firms are fully familiar with both licensing foreign products for manufacture and sale in Denmark and licensing their own products for sale abroad. Licensing agreements do not have to be registered with Danish authorities, and there are no Danish government restrictions on remittance of royalties or fees. Joint ventures may be established as corporations, general partnerships, or in any other legal format. Danish law does not discriminate against joint ventures with foreign participation. The Government of Denmark, through the Ministry of Industry, actively encourages foreign companies to manufacture high-technology products in Denmark. Several Danish non-profit organizations and authorities have programs to attract foreign investment and joint ventures.

Steps to Establishing an Office: Setting up a branch office in Denmark requires a relatively simple registration procedure with the Danish Trade and Companies Agency. The filing requirement is for general information on the U.S. parent company and the activities of its Danish branch. This includes place of business, accounting periods, memorandum and articles, and the power of attorney granted to the branch manager. For tax purposes, branches of foreign companies are treated as incorporated companies. As in many other countries, numerous rules and regulations apply to establishing a Danish corporation. Danish business legislation does not discriminate against foreign subsidiaries or foreign owned companies. Foreign companies need only meet the requirements applicable to national companies. As in the United States, it is advisable to secure the services of an attorney and a CPA when establishing a business. There are approximately 250 subsidiaries of American companies in Denmark.

Selling Factors/Techniques: The factors that determine where importers place their orders are almost entirely commercial, although cultural and historical or social ties with a long-standing trade partner may play a role. General competitive factors such as price, quality, promptness of delivery and availability of service determine the success of a supplier in Denmark. Patience and commitment count. Danes do not change suppliers easily and many commercial relationships have been maintained over decades. Export companies seeking only a fast buck have very little chance of success. Most exporters introducing a "new" product in Denmark should expect fierce competition from both domestic, third-country, and often U.S. companies already well-established in the market. In many cases, local distributors or agents will not take on a new account. Consequently, a new-to-market company's entry would be through establishing its own sales office.

Advertising and Trade Promotion: Introducing a new product or company on the Danish market is often a costly affair. U.S. and foreign parent companies are expected by their Danish agents to cover, in full or in part, advertising and promotion expenses. Several large American and international advertising agencies maintain offices in Denmark. The code of conduct for advertising in Denmark is, in some areas, more conservative and consumer protection oriented than that of the United States, while in other areas, more liberal. For example, while nudity per se is not considered obscene and is seen in some Danish

advertising, TV commercials for alcoholic beverages, tobacco and medicine are not allowed. At the time of writing, parliament members are discussing possible legislation against commercials appealing to children during children's programs. The rules and regulations for advertising and marketing are determined in the "Markedsføringsloven" (the Act on Marketing). The Consumer Ombudsman oversees compliance with the Act on Marketing. He may take action on his own initiative, or based on complaints by third parties. However, he will not be consulted for prior approval or rulings on planned campaigns. Examples of typical cases for Consumer Ombudsman action are those involving misleading statements and unfounded claims of a product's qualities. Generally, the types of advertising media that exist in the United States, exist in Denmark. Television commercials, however, are more restricted. Under Danish rules, they cannot interrupt a program and may be shown only in assigned blocks between programs. Only one of the two national stations, TV-2, carries commercials. The other, Danmarks Radio, is a public service station and does not carry commercials. However, it allows certain restricted types of program sponsorship. A recent de-regulation provides for networking of local TV stations. A number of such local stations have merged into "TV-Danmark", which carries commercials under the same regulations as TV-2. One Danish-language TV station (TV3), broadcasting via satellite from the U.K. and receivable only via dish or cable, reaches almost as many viewers as the three Danish nationwide stations. Because it broadcasts from the U.K. and has foreign ownership, it operates outside Danish rules and places commercials within programs. Another popular form of audio-visual advertising is the showing of commercials in movie theaters prior to the main feature film. Printed media advertising is widely used. Advertising on the world wide web is increasing.

Below is a list of major newspapers and business journals:

NAME AND ADDRESS	CIRCULATION
MAJOR NEWSPAPERS	
*Berlingske Tidende Pilestraede 34 DK-1147 Copenhagen K Tel: (45) 3375 7575 Fax: (45) 3375 2020	154,267/weekdays 191,616/Sundays
*Jyllandsposten Bladhuset i Viby Grondalsvej 3 DK-8260 Viby J. Tel: (45) 8738 3838 Fax: (45) 8738 3199	177,857/weekdays 262,340/Sundays
Politiken	
Raadhuspladsen 37 DK-1785 Copenhagen V Tel: (45) 3311 8511 Fax: (45) 3315 4117	147,888/weekdays 195,940/Sundays

MAJOR BUSINESS PAPERS AND JOURNALS

*Borsen (Daily) Montergade 19 DK-1140 Copenhagen K. Tel: (45) 3332 0102 Fax: (45) 3312 2445	48,000 weekdays only
ErhvervsBladet (Daily) Vesterbrogade 12 DK-1780 Copenhagen V Tel: (45) 3326 7200 Fax: (45) 3326 7282	107,033 weekdays only
Borsens Nyhedsmagasinet (Bi-Weekly) Montergade 19, Postbox 2242 DK-1019 Copenhagen K Tel: (45) 3332 4400 Fax: (45) 3311 5906	16,000
Computerworld (Bi-Weekly) Carl Jacobsensvej 25 DK-2500 Valby Tel: (45) 7730 0300 Fax: (45) 7730 0303	24,800
Ingenioren (Weekly) Skelbaekgade 4 DK-1503 Copenhagen V Tel: (45) 3326 5300 Fax: (45) 3326 5301	75,000

* Berlingske Tidende and Jyllandsposten contain significant business sections. Borsen is the closest Denmark has to the Wall Street Journal.

Pricing a Product: Exporters usually quote c.i.f Copenhagen prices to Danish importers. The c.i.f. price includes all U.S. domestic freight costs, ocean/air freight and insurance but not Danish import duty or VAT. The rate of duty ranges from 5 to 14 percent on industrial products. Additionally, the importer must pay a 25% Value Added Tax (VAT) calculated on the landed (c.i.f.) cost plus the duty. VAT applies on a non-discriminatory basis to all products sold in Denmark, whether imported or produced locally. There are also heavy surtaxes on a number of "luxury" consumer items, such as cigarettes and tobacco, alcoholic beverages, oil and gasoline, and automobiles. Despite a 180% automobile surtax, 68% of Danish families own a car. However, only 11% own more than one car.

The appropriate price for a product in the Danish market is best determined through market research. The US&FCS' Customized Market Analyses (CMA) program is geared to assist U.S. exporters to assess their competition for a specific product in a selected country. Any U.S. Department of Commerce District Office will assist a U.S. exporter in explaining the scope and advantages of the CMA. In Denmark, a

number of private companies also perform market research. The Copenhagen US&FCS office can supply contact information.

Sales Service/Customer Support: This requirement varies with the type of product. In general, Danish importers demand, and get from European competitors, a high degree of sales and after-sales service and customer support. The extent of the service and support requirement is directly proportional to the technical complexity of the product. Sound commercial judgment dictates after-sales service at least equal to that supplied by European competitors. Immediate response to customer's questions and requests is mandatory as is the use of modern communication methods. This means fax or electronic mail for routine communications and a readiness to employ overnight courier service when necessary.

Selling to the Government: Government procurement practices in Denmark are generally transparent. Denmark is a signatory to the GATT/WTO Government Procurement Code and also adheres to EU procurement regulations. U.S. firms are eligible to bid on an equal basis with Danish and other bidders for contracts valued over approximately \$200,000. Announcements of public tenders are published in the "Supplement to the Official Journal of the European Communities." The text of the invitation to bid is in English, but the tender documents are normally in Danish. For major projects, documents may be available both in Danish and English. Bid notifications are available on the following website: <http://www.europa.eu.int>.

Supplier qualifications are established on a contract by contract basis. Although a local agent is not required in order for a U.S. firm to bid, it is usually wise to employ one to establish service capability equivalent to that available from resident firms. U.S. companies are also eligible to bid for major NATO military projects in Denmark, and for major public works engineering and construction projects such as ocean bridges and tunnels. The central contact point for information on such projects is the U.S. Department of Commerce, ITA/TD/OEEI, Washington DC, telephone (202) 482-5225, or any of the Department's District Offices throughout the United States.

Protecting Your Product from IPR Infringement: Denmark in general offers adequate protection for intellectual property rights. Please see section VII for a list of the international conventions and treaties concerning intellectual property to which Denmark adheres.

Need for a Local Attorney: The need for a Danish attorney typically arises in connection with establishing a corporation in Denmark, or in connection with trade disputes. Also, it is advisable to seek local legal assistance in matters involving complicated government concessions such as applications for oil or gas prospecting. A short list of attorneys and collection agencies is available on the NTDB. A more comprehensive, but still partial list can be airmailed from post or from the Denmark Desk of the U.S. Department of Commerce, Washington DC.

V. LEADING SECTORS FOR U.S. EXPORTS AND INVESTMENTS

A. Best Prospects for Non-Agricultural Goods and Services

1. Computer Software (CSF)

Narrative: Denmark is a highly computerized society with a large and steady demand for software. The total market reached USD 1.61 billion in 1998, and the market is estimated to increase moderately during 1999 and 2000. U.S. suppliers are increasing their share of imports from USD 380 million in 1998, to an estimated USD 400 million in 1999. Local software producers are quite successful, but are often lacking the resources necessary for continued growth on their own. They are therefore increasingly being acquired or subjected to control by foreign system vendors, most often from the United States. Thus, neither local production nor third country suppliers appear likely to threaten the dominant position that U.S.-brand software has in this market. New-to-market companies will face serious competition from long-established U.S. companies. In a market with few independent importing agents and distributors, new-to-market companies should be prepared to establish a wholly-owned subsidiary or sales office in country.

Data: (\$ millions)	1998	1999	2000
Total Market Size	1,610	1,620	1,640
Local Production	600	560	550
Total Exports	290	250	240
Total Imports	1,300	1,310	1,330
Imports from the U.S.	380	400	425
Exchange Rate (1USD=DKK)	7.0	7.0	7.0

The above statistics are unofficial estimates.

2. Computers and Peripherals (CPT)

Narrative: The Danish hardware market can best be described as being fully developed. Nevertheless, the constant replacement process of old equipment with to-of-the-line hardware produces an estimated to growth of 15 percent per year over the next three years. All aspects of business, industry, services and public administration utilize state-of-the-art computerization for efficiency and cost saving. Half of all Danish homes have a PC and the number of home PCs with internet connections is increasing fast. U.S.- brand equipment are market leaders and many major U.S. companies have own sales and distribution offices in Denmark. These include IBM, Compaq, Dell, HP, Microsoft. Computer usage in Denmark is high and this is confirmed by a constantly growing market. U.S.-brand products are market leaders. Products are supplied either directly from the U.S. or, as in most cases, from third country manufacturing/assembly facilities. Most U.S. suppliers operate through fully owned subsidiaries. Local production is small and, with few exceptions, limited to OEM producers. The market is extremely PC network oriented.

NOTE: The number of qualified, independent importing agents and distributors is very small. Consequently, new-to-market companies must be prepared to establish market presence through a wholly-owned subsidiary or sales office.

Data: (\$ millions)	1998	1999	2000
Total Market Size	1,950	2,180	2,270
Local Production	250	270	290
Total Exports, incl. re-exports	850	690	680

Total Imports	2,550	2,600	2,660
Imports from the U.S.	265	270	280
Exchange Rate (1USD=DKK)	7.0	7.0	7.0

Source (1997 data): Official Danish Trade Statistics

3. Pollution Control Equipment (POL)

Narrative: In 1972, Denmark was the first nation ever to establish a Ministry of the Environment. On a per capita basis, it is among the world's biggest spenders on environmental protection, and lack of low growth in total market size should be seen in the light of an already highly developed market. Denmark has a substantial and technologically advanced local industry which has also developed a significant foothold in the international market place, including the Baltic region and eastern Europe. Danish exports to these new markets benefit from Danish financial support for environmental improvements in these countries. U.S. exporters may find it advantageous to establish a business relationship with an established local company to help facilitate market access.

Data: (\$ millions)	1998	1999	2000
Total Market Size	400	400	400
Local Production	575	575	575
Total Exports	300	300	300
Total Imports	150	150	150
Imports from the U.S.	5	5	5

Exchange Rate (1USD=DKK)	7.0	7.0	7.0
--------------------------	-----	-----	-----

The above statistics are unofficial best estimates.

4. Telecommunication Services (TES)

Narrative: The Danish telecommunication market is now fully liberalized and privatized. Ameritech holds a controlling interest in the former national telephone company, Tele Danmark, and BellSouth holds almost 50% of the GSM 900/1800 operator Sonofon. Other important telecom companies in the Danish market are Telia (Swedish), and Mobilix (French). The major third-country hardware suppliers are NEC (Japan), Nokia (Finland), Ericsson (Sweden), Siemens (Germany). Nortel is the major U.S. hardware supplier. Lucent Technologies has a plant in Copenhagen producing and exporting high-quality fibers for optical fiber cables. While U.S. products generally are looked upon as market leaders there are no "Best Prospects" specifically for U.S. companies. Normal market mechanisms prevail. New-to-market companies will face fierce competition from those already established here, many of which are American. Also, the number of local companies willing to invest in new accounts is very small. Consequently, new-to-market companies should be prepared to establish their own sales offices in the region, or, as some have already done, establish a market presence through joint-ventures or buy-outs.

Data: There are no official "import+production-export=total market" statistics for the Telecommunications Service sector. The total service market is cautiously estimated by industry sources at \$4.5 billion per year, with an estimated annual growth rate of 15-20 percent. U.S. companies (Ameritech and BellSouth) have a dominant position through controlling ownership of the two major service providers.

5. Electrical Power Systems (ELP)

Narrative: Danish power plants serve a stable national consumption of around 35,000 GWh, plus a more fluctuating export demand of 10-20,000 GWh. Present electrical power is primarily generated in coal fired plants, but the country is moving quickly towards cogens, fueled on natural gas and biomass. Wind power is expected to cover 20% of total consumption by year 2003. Danish power-plants are modern and fuel-efficient. They are largely self-financing and purchase only the latest in technology in order to meet the challenges of market liberalization. About 60% of total investments will be in production facilities with the remaining 40% in distribution. Local production of equipment plays an important role in this sector although the majority is imported. Market access is helped by the EU Utilities Directive, stipulating that supply and service contracts with a value of more than ECU 400,000 must be advertised in the Official Journal of the EU. U.S. companies may participate in the international bidding for power plant equipment.

Data: (\$ millions)	1998	1999	2000
Total Market Size	700	700	800
Total Production	325	325	375
Total Exports	175	175	175
Total Imports	550	550	600
Total Imports from U.S.A.	40	40	40
Exchange Rate (1USD=DKK)	7.0	7.0	7,0

The above statistics are unofficial estimates.

6. Oil and Gas Field Machinery (OGM)

Narrative: A record high 1997 production of almost 12 million tons of oil, 7 billion cubic meters of natural gas, and continues offer significant opportunities for U.S. companies. However, while total annual investments reached just over \$700 million in 1998, these are expected to decline to less than \$500 in 1999 and further drop to around \$300 by year 2000. The United States is a recognized industry leader of equipment for this industry, and local production is insignificant. Generally, heavy structures are supplied locally or from nearby third countries, while less freight sensitive equipment with a substantial technology contents offer excellent opportunities for U.S. vendors. Major third country suppliers are the U.K. and Germany.

Data: (\$ millions)	1998	1999	2000
Total Market Size	375	290	175
Total Production	27	20	15
Total Exports	12	10	5
Total Imports	360	280	165
Total Imports from U.S.A.	240	175	120
Exchange Rate (1USD=DKK)	7.0	7.0	7.0

7. Medical Equipment (MED)

Denmark's hospitals are almost all publicly owned, and practically all medical care is subsidized. With increasingly tight government

budgets, labor-saving equipment, especially high-tech diagnostic and surgical equipment have good potential. Some best sales prospects are: Infusion and transfusion equipment; cardiovascular equipment, diagnostic ultrasound equipment in general, defibrillators, cancer diagnostic/therapy equipment; monitoring equipment for anesthesia and for intensive care (respirators, etc.); medical-related biotechnology; endoscopes; surgical lasers; catheter devices - diagnostic and therapeutic; operating-room furniture, and disposables (custom-made and cost effective). Major public procurement is subject to EU Tender procurement rules. Major purchases are announced in the Supplement of the "EC Journal for Public Tendering". American companies have access to bid.

Data: (\$ millions)	1999	1999	2000
Total Market Size	487.7	497.4	507.4
Total Local Production	912.4	930.6	949.2
Total Exports (incl. re-exports)	850.7	867.8	885.1
Total Imports	426.1	434.6	443.3
Imports from the U.S.	63.9	63.9	63.9
Exchange Rate (1USD=DKK)	7.00	7.00	7.00

The above statistics are unofficial estimates.

(Note: Dental equipment is not included.)

8. Automotive Parts and Service Equipment (APS)

Narrative: There are about 1.8 million passenger cars in Denmark, or about one per every three Danes. Following several years of continuous record sales, new passenger car sales peaked in 1998 with more than 150,000 units sold. This is the best result in a decade, but sales forecasts now indicate a drop to a level of around 130,000 units by year-end 1999. High taxes on cars result in long life cycles, offering good and continuous opportunities in the after-market, regardless of fluctuations in annual new car sales. Quite surprisingly, an already healthy after market has not been further boosted reinforced by launch of a mandatory biannual vehicle inspection program at the beginning of 1998. For a small market, competition is extremely fierce and opportunities exist primarily for large vendors with pan-European distribution. U.S. suppliers are well represented in this segment, although U.S. brand products are often supplied from manufacturing facilities within Europe and not always recognized as American. Local production of parts is substantial, but is largely focused on supplying major European auto makers outside Denmark. The strength of local producers is therefore seldom felt strongly in the Danish after-market. During the 1990's, there has been a steady increase in the sales of U.S. made cars and vans in Denmark. Although an increase from a low level counted only in hundreds of units per year, sales are now counted in thousands. As the accumulated volume of these cars reach "repair age", U.S. sales in the Danish after-market should increase.

Data (\$ millions)	1998	1999	2000
Total Market Size	500	500	500
Local Production	325	325	325
Total Exports	445	445	445
Total Imports	620	620	620
Imports from the U.S.	5	6	6
Exchange Rate (1USD=DKK)	7.0	7.0	7.0

The above statistics are unofficial estimates.

9. Travel and Tourism Services (TRA)

Narrative: In 1998, over 140,000 Danes visited the United States. In spite of an often turbulent travel market, the number of Danes visiting the United States has increased steadily over the past six years and will likely stabilize in coming years. Florida remains the most popular destination, followed by New York and California. Danish tourists are good spenders with average expenditures of over US\$2,000 per person for their U.S. trips. The United States earned about 7% of total Danish foreign tourism expenditures in 1997 and about US\$3 for every US\$1 that American tourists spent in Denmark.

Data: (\$ millions)	1998	1999	2000
Expenditures by Danish Tourists Abroad	4,100	4,100	4,200
Expenditures by Danish Tourists in the USA	305	305	
Exchange Rate (1USD=DKK)	7.0	7.0	7.0

The above statistics are unofficial estimates.

10. Franchising (FRA)

Narrative: While franchising is not as widespread in Denmark as in the United States, it is a well-known of business. The bulk of franchise operated businesses are of Danish or Scandinavian origin. American franchising companies also operate in Denmark. The longest established are McDonalds and Burger King. Franchising is also common outside the fast food trade. Shoe-repair services, car rental, health clubs and indoor tanning salons are examples. There are currently about 134 franchise systems in Denmark with about 3,746 units. These represent annual sales of about \$2.7 billion. The Danish Franchise Association (see app. E. 1b) is a member of the International Franchise Association headquartered in the U.S.A. Most promising franchising sectors over the next 18-36 months are: Specialty retail stores, fast delivery services, furniture-home decoration, apparel/fashion, maintenance and cleaning.

Data: (\$) millions	1998	1999	2000
Total Sales by Franchising Sector	2,700	2,900	3,000
Total Sales by U.S Franchising Systems in Denmark	538	580	620
Exchange Rate (1US\$=DKK)	7.0	7.0	7.0

The above statistics are unofficial estimates)

B. Best Prospects for Agricultural Products

Fresh Vegetables

Narrative: Although most of Denmark's fresh vegetable imports come from other EC member countries or from other hemisphere countries with other seasons, Danish importers are world traders and perceptive to competitive suppliers. All kinds of U.S. fresh vegetables are potential export items. Best potential exist for asparagus and fungi.

	1998	1999	2000
Data: (1,000 tons)			
Total Market Size	175	185	195
Total Local Production	16	16	16
Total Exports	11	11	11
Total Imports	170	1800	190
Total Imports from U.S.A.	1	2	3
Exchange rate	7.0	7.0	7.0

The above statistics are unofficial estimates

Organic Products

Narrative: Although most organic products produced and sold in Denmark are dairy products and vegetables, the demand for all kinds of organic products is increasing rapidly. They include beverages (including tea, coffee, wine, beer), meat, condiments (including honey and jam), baby food, raisins, rice, nuts, and all prepared foods.

	1998	1999	2000
Data: (1,000 tons)			
Total Market Size	405	525	585
Total Local Production	400	515	680
Total Exports	5	10	30
Total Imports	10	20	25
Total Imports from U.S.A.	1	5	8
Exchange rate	7.0	7.0	7.0

The above statistics are unofficial estimates

Forest Products

Narrative: Most of Denmark's wood trade is with neighboring countries such as Norway, Sweden and Germany. For soft wood logs and lumber, the U.S. market position is especially strong on plywood and could be expanded also to Oriented Strand Board (OSB) and hardwood for furniture and floor manufacturing.

	1998	1999	2000
Data: (1,000 cubic meters)			
Total Market Size	4,250	4,200	4,200
Total Local Production	2,000	2,000	2,000
Total Exports	400	400	400
Total Imports	2,650	2,600	2,600
Total Imports from U.S.A.	100	120	
Exchange rate	7.0	7.0	7.0

The above statistics are unofficial estimates

Feedstuffs (Dog & Cat food)

Narrative: The total market is growing slowly and, in spite of large local production, imports constitute about 50 percent of the total market. U.S. products are competitive and should be able to increase.

	1998	1999	2000
Data: (1,000 tons)			
Total Market Size	88	95	100
Total Local Production	186	195	195
Total Exports	159	165	165
Total Imports	61	65	70
Total Imports from U.S.A.	4	5	8
Exchange rate	7.0	7.0	7.0

The above statistics are unofficial estimates

Wines

In a steadily expanding market, the U.S. market share has increased for wine over the last 10 years. U.S. wine is now well recognized and the market share is expected to continue to grow, most probably up to 10 percent in a few years. Smaller importers are constantly looking for suppliers of small quantities and larger importers are constantly looking for exporters who can supply amounts of about 250,000 liters per year.

	1998	1999	2000
Data: (million liters)			
Total Market Size	162	165	170
Total Local Production	0	0	0
Total Exports	0	0	0
Total Imports	162	165	170
Total Imports from U.S.A.	4	5	6
Exchange rate	7.0	7.0	7.0
The above statistics are unofficial estimates			

VI. TRADE REGULATIONS, CUSTOMS AND STANDARDS

Trade Barriers, Tariffs, Import Taxes: Denmark has historically maintained a no-barrier policy. It is often in the lead in the international combat against non-tariff barriers. Denmark has the best record of all EU countries regarding implementation of Single Market directives. Denmark applies no unilateral trade barriers against the U.S.A. It is a full member of the European Union (EU) and external duty tariffs apply to all products entering from non-EU countries including the United States. Duties run from 5 to 14% on industrial goods. Once goods have cleared customs in one EU country they may circulate freely within the Union. Although not an import tax, all goods imported into Denmark are also subject to a 25 percent Value-added-tax (VAT). The VAT is applied on a non-discriminatory basis to all goods and most services, whether imported or locally produced.

As a consequence of Denmark's membership of the EU, certain agricultural products imported from non-EU countries are governed by the Common Agricultural Policy (CAP). Duties on these items -- which include cereal grains, rice, milk and milk products, beef and veal, olive oil and sugar -- are supplemented with a system of variable levies or other charges; the purpose of which is to equalize prices of imported commodities with those produced within the Community. In addition to the bound duties, the EU subjects most imported consumer-ready products to additional import charges based on the percentage of sugar, milk fat, milk protein and starch in the product. While these additional import charges have made some imported processed food products non-competitive in the European market, the situation should improve over the next few years because such charges will be converted to fixed tariff equivalents and reduced under the Uruguay Round Multilateral Trade Agreement. Note: advice on current import charges for consumer-ready products can be obtained from the Agricultural

Affairs Office of the U.S. Mission to the European Union in Brussels, Belgium.

Customs Valuation: Customs procedures, including the classification and valuation of imported goods entering Denmark, are governed by EU rules. For information on import duties and tariffs, U.S. exporters may contact the Danish Customs Office listed in Appendix #E,1.a.

Import Licenses: With very few exceptions (alcoholic beverages, weapons and arms, certain drugs and chemicals, and certain food products) Denmark requires no import licenses. There are no special import restrictions or license requirements which constitute problems for U.S. industrial product exporters.

Export Controls: Denmark is a member of NATO and therefore participates in the successor regime to COCOM regulating export and re-export of strategic commodities.

Import/Export Documentation: The clearance of goods through customs and payment of duties in Denmark and other EU countries are the responsibility of the importer or his appointed customs broker. A commercial invoice from the U.S. exporter is always required for the importer or his agent to clear goods through customs. Additional documentation requirements exist for agricultural products, chemical substances, and other selected goods (see "import licenses" above). U.S. exporters are advised to follow the documentation requirements of their local importers. Once goods have been cleared and duty paid in one EU country, these goods may move freely within all EU member states.

Temporary Entry: Most foreign businesses needing to export temporarily into Denmark chose to do so by using an ATA Carnet. In the United States, this document is issued by an American Chamber of Commerce office.

Labeling, Marking Requirements: The marking and labeling requirements for products sold in Denmark are numerous and vary from product to product. The requirements may stem from either Danish or EU laws and regulations. For the exporter to comply, the assistance of the Danish importer is essential. As a general rule, consumer products must be labeled in Danish or in a language which differs from Danish only slightly in spelling. As a practical matter this means Norwegian and in some instances Swedish. Certain products must be marked clearly with the country of origin. In some cases, marking can be done by the importer after arrival of the goods in Denmark. Weights and measures must be stated in the metric system. Labels and marking must accurately describe the contents of packages. The responsibility for compliance with Denmark's marking and labeling regulations falls on the importer. Exporters, however, should carefully follow importer's instructions because failure to do so can cause customs delays and extra expenses which may harm future business.

A substantial number of products must now be CE marked prior to sale in Denmark and the rest of the EU. CE Marking (CE = Communité Européenne or European Community) is a statement by the manufacturer of a finished product, or his authorized representative in the EU, that the product

meets the essential requirements for that product as stipulated in all relevant EU directives. The purpose of the directives is to replace various national laws and requirements with harmonized European requirements, thus ensuring a free movement of goods within the EU. Some of the most important directives calling for CE marking are:

* The Machinery Directive (89/392/EEC), which comprises all types of machinery.

* The EMC Directive (89/336/EEC), where EMC means Electro Magnetic Compatibility. This directive comprises all electrical and electronic appliances, equipment, installations and components.

* The Low Voltage Directive (73/23/EEC), which comprises consumer goods and equipment designed to operate from 50V to 1,000V alternating current and from 75V to 1,500V direct current. This typically includes domestic electrical appliances, hand tools, lighting equipment and electrical wiring.

* The "CE Marking Directive" (93/68/EEC), which is the administrative directive modifying the rules for CE-Marking.

Guidance on compliance with EU directives is available from the USFCS office at the U.S. Mission to the EU in Brussels, Belgium.

Labeling of Food Products: All food products must be labeled in accordance the Government Labeling Announcement (Maerknings-bekendtgørelsen No. 165/91). In general terms, compliance with local labeling regulations is the responsibility of the importer or the local retailer.

Food products sold on the Danish market must be labeled with information about the individual product. The label can be in the form of a stick-on label and must be easy to read and clearly visible. The label must be in the Danish language or in another language marginally different in spelling from Danish (Swedish or Norwegian). English or other EU languages can be used provided they are supplemented by a Danish translation.

The Danish legislation in this field consists partly of EU provisions and partly of Danish national provisions.

The following requirements apply to consumer-ready food products:

- Identification of the production run, batch or lot to which each particular unit belongs. The Danish rules require that this number starts with the letter L (for lot);

- The name or trademark and address of the producer or packer or the address of an agent or distributor in the EU;

- A description of the product and its ingredients. All ingredients must be listed individually stating the quantity of each ingredient at the point of production;

Additives must be specified with their chemical identity or their "standard identity" (the E-number mentioned below). It must also be stated to which group of additives the actual additive belongs i.e. preserve, artificial sweetener or color;

Nutritional information must be included if the manufacturer is marketing specific qualities or characteristics for instance "light";

- Net mass or weight. The actual contents of a container or a package must be stated as well as the weight of the produce without pickle or other liquid;

- The last date of sale stated as day, month, and year. For certain products such as wine, salt, and sugar the last date of sale need not be stated;

For specific fresh meat products, the date and time of production and packing must be included;

- The country of origin must be stated for a number of products such as manufactured seafood and meat;.

- Information on how to store or use the product, if necessary in order to use or store correctly.

Please note that there may be additional requirements in specific areas such as organic or biodynamic food products.

Bar codes are used widely, but are normally not international standard and are purely for internal identification purposes. An increasing number of supermarkets implement computer equipment for cashier and stock monitoring purposes based on internal bar codes. If these traders are a target group of US exporters, it may be appropriate to offer goods labeled with legible codes to enhance a smooth distribution flow.

Effective January 1, 1993, the EU instituted its Single Market program; which sought to remove the technical, physical and fiscal barriers hindering the movement of all goods, services, capital and people. Border delays were estimated to be adding 15 percent to the costs of transporting many types of goods including agricultural produce. One of the main reasons for the problems of the latter was differing veterinary and phytosanitary policies among EC member states. Almost 80 percent of the Single Market EC Commission directives deal with agricultural products, whose harmonization should facilitate the movement of food products throughout the EC.

Denmark has separate import standards on a number of food products. The separate requirements are generally more restrictive due to Denmark's high veterinary and food standards.

In general, Danish importers assume the responsibility for assuring that imported consumer-oriented food products are in compliance with Danish Government and/or EU regulations. Nevertheless, U.S. suppliers should note the following EU/national restrictions:

- Imported food products are subject to the Veterinary and Food Directorate's "Positive list", which is an extensive list of the additives and the amount of additives permitted in food products sold in Denmark. The "positive list" also describes the labeling

requirements for additives. The list can be obtained from the National Food Agency of Denmark (see address below).

The legal requirements for permitted types and quantities of additives are extensive in Denmark. In fact, they are presently more extensive than in other EU member states. The actual additives permitted in foodstuffs sold on the Danish market are stated on a positive list prepared by the National Food Agency of Denmark and revised on an annual basis. The list encompasses 420 different types of additives.

The positive list defines the chemical nature of the permitted additives, specific additives permitted in specific food products and maximum quantities permitted in specific food products. Additives not mentioned in the list might be used, but require prior permission from the Veterinary and Food Directorate in each individual case, and products including these additives may not be introduced on the Danish Market until approval has been granted.

Further information can be obtained from the Veterinary and Food Directorate, Ministry of Food, Agriculture and Fisheries. Please see Appendix E.

Special Import Provisions: See above.

Membership in Free Trade Arrangements: Denmark is a full member of the EU and the WTO.

VII. INVESTMENT CLIMATE

Openness to Foreign Investment: Denmark is heavily dependent on foreign trade and international cooperation. It follows liberal trade and investment policies and encourages increased foreign investment. The Danish Government and quasi-official organizations are running campaigns to attract foreign investment, describing Denmark as a gateway to the large EU Single Market, to Scandinavia, and to the new democracies in Eastern Europe. With the completion in June 2000 of the Oresund Bridge connecting Denmark and Sweden, the Danish Government hopes that the Oresund region will become a center and a gateway which will attract significant foreign investment. Denmark treats foreign investors on a non-discriminatory, national treatment basis. U.S. and foreign firms may participate in Government financed and/or subsidized research and development programs on a national treatment basis. As a general rule foreign direct investment in Denmark may take place without restrictions and screening. Ownership restrictions apply to only a few sectors, including those for national security reasons (see below). The Embassy has no record of any non-governmental groups which have been opposed to a U.S. foreign investment. The investment climate is good also as a result of a stable, highly skilled and efficient labor force, and the corporation tax at 34 percent is among the lower in the EU. Work permits are easy to obtain for foreign managerial staff, but permits for white or blue-collar workers from countries outside the EU and the Nordic countries, who compete with Danish workers, are difficult to obtain. High-income foreigners stationed temporarily (maximum three years) in Denmark are subject to lenient

income taxation - in 1999, 25 percent plus a 8 percent labor market contribution tax on gross income. Compared with the progressive income tax system applicable to Danes, this is an attractive incentive. Otherwise, personal income taxes in Denmark are among the very highest in the world. Investment in regional development areas may take advantage of certain grants and access to preferential financing. In 1998, Denmark changed its tax legislation to provide for tax-free treatment of dividends paid to and from holding companies in Denmark. More than 200 holding companies have reportedly been established to take advantage of this new tax treatment.

Conversion and Transfer Policies: Denmark has no restrictions on capital transfers. Denmark adheres to OECD and EU rules on the liberalization of capital movements, and has no foreign exchange restrictions, only reporting requirements. Profits can be freely repatriated, but are subject to Danish taxation. The Denmark/United States double taxation agreement, which dates back to 1948, is under revision at present.

Expropriation and Compensation: Public expropriation of private property is almost entirely limited to public construction purposes, such as bridge and highway projects, and then only with full compensation. There have been no cases of Danish or foreign companies being expropriated for other purposes since World War II.

Dispute Settlement: The Embassy has no knowledge or record of any disputes involving foreign, including U.S., direct investors in Denmark. The Danish legal system belongs to the "Nordic family" which is based on continuity through centuries in contrast with the Anglo-Saxon Common Law. In fact some Danish legislation from the 17th century, which has its roots dating back to the 13th century, still is in force. The Danish legal system includes written laws covering practically all commercial issues. Denmark has a written and consistently applied Bankruptcy law (Consolidated Act No. 118 of February 4, 1997). Monetary adjustments under the bankruptcy law are made in freely convertible Danish Kroner. Creditors' claims against a bankruptcy are met in the following order:

- 1) Costs and debt accrued during the treatment of the bankruptcy;
- 2) Other costs, including the court tax, relating to attempts to find a solution other than bankruptcy;
- 3) wage claims and holiday pay;
- 4) excise taxes owed to the Government;
- 5) all other claims.

Financing of real estate, both private and business, are for the most part done through the well established Danish mortgage bond credit system, the security of which compares to that of Government bonds. All mortgage credits in real estate are recorded in local public registers of mortgages. Except for interests in cars and commercial ships, which are also publicly recorded, other chattel interests generally are unrecorded.

Denmark is a party to the 1965 Convention on the Settlement of Investment Disputes between States and Nationals of other States, and to the 1958 Convention of the Recognition and Enforcement of Foreign Arbitral Awards. Subsequent Danish legislation makes international

arbitration of investment disputes binding in Denmark. In addition, Denmark is a party to the 1961 European Convention in International Commercial Arbitration and to the 1962 agreement relating to the application of this convention.

Performance Requirements/Incentives: Performance requirements are applied only in connection with investment in hydrocarbon exploration, where concession terms normally require a fixed work program, including seismic surveys and in some cases exploratory drillings, consistent with applicable EU directives.

Performance incentives are mostly designed to protect the environment, mainly through reduced energy and water use. Denmark was the first of the EU countries, in January 1993, to introduce a carbon dioxide (CO₂) tax on business and industry covering all sorts of energy uses. The present CO₂ tax, e.g., on diesel oil is about \$0.14 per gallon, on electricity \$0.014 per kWh, on natural gas \$0.03 per cubic meter, and on coal \$33.61 per metric ton. However, companies with a production dependent on large use of energy, e.g., steel plants and glass and brick producers, may be able to avoid virtually the entire tax. In addition, companies which sign "energy savings agreement" with the Government benefit from reductions in the tax. In addition, a SO₂ tax of DKK 20 (\$2.75) per kilo of SO₂ content is imposed on all fuels. Offsetting part of the CO₂ tax on industry are a number of subsidy measures to promote renewable energy and natural gas use, and other measures reducing costs to business to avoid jeopardizing Danish competitiveness. A large number of other environmental and energy taxes are imposed and fall mostly on households.

Right to Private Ownership and Establishment: As a general rule, any foreign or domestic private entity may freely establish, own, and dispose of a business enterprise in Denmark. The capital requirement for establishing a corporation (aktieselskab) is DKK 500,000 and for establishing a private company (anpartsselskab) DKK 200,000. Registration fees are nominal. Capital can take the form of goods, equipment and/or cash on hand. There is a general requirement that managers and at least half of the Board of Directors must be Danish or EU residents.

Denmark, like most other countries, has restrictions on establishment in legal services and other areas. Danish (or EU or Nordic) professional certification and local Danish experience to practice in Denmark is required.

Ownership restrictions are applied in few sectors, including:

-Hydrocarbon exploration. 20 percent Government participation, but no longer on a "carried interest" basis.

-Arms production. Foreigners may hold maximum 40 percent of equity and 20 percent of voting rights.

-Aircraft. Foreign citizens or airlines may not directly own or exercise control over aircraft registered in Denmark.

-Ships registered in the Danish International Ships Register (DIS). A Danish legal entity or physical person must own a significant share and

exercise a significant control (20-25 percent) over such ship. In addition, ships under bareboat charter to a Danish company may be registered in the DIS.

For EU physical persons and legal entities, some of the above restrictions do not apply.

Protection of Property Rights: Denmark is a party to, and enforces, a large number of international conventions and treaties concerning protection of intellectual property rights. Denmark and the EU are also parties to and have ratified the WTO "TRIPS" agreement. Denmark in general appears to offer adequate protection of property rights, but a small number of cases have arisen under of the "TRIPS" agreement (see below).

-Patents: Denmark is a member of the World Intellectual Property Organization (WIPO). It adheres to the Paris Convention for the protection of Industrial Property, the Patent Cooperation Treaty (PCT), the Strasbourg convention, and the Budapest convention. Denmark has ratified the European Patent Convention and the EU Patent Convention.

-Copyrights: Denmark is a party to the 1886 Bern Convention and its subsequent revisions, the 1952 Universal Copyright Convention and its 1971 revision, the 1961 International Convention for the Protection of Performers, etc., and the 1971 Convention for the Producers of Phonograms, etc. However, U.S. authors do not receive royalties from Denmark for photocopying of their works used in Danish schools and universities, because the Danish collecting agency Copy-Dan will not accept the validity of "en bloc" powers of attorney issued by U.S. publisher and author organizations.

Software piracy is a problem in Denmark and is estimated to cost the industry more than \$100 million annually. Software piracy is expected to decline due to recent successful efforts by, among others, the international software company-owned Business Software Alliance. The U.S. Government since 1997 has placed Denmark on the U.S. Trade Act's "301 Watch List" for failure to meet TRIPS article 50 obligations to provide "inaudita altera parte" searches. In response, the Danish Government has set up a committee to find out which legislative changes are needed to meet its TRIPS requirements. Piracy of other items, including music records/CDs, film videocassettes and books, appears limited. There is no evidence that pirated products are imported to or exported from Denmark.

Trademarks: Denmark is a party to the 1957 Nice Arrangement and to this arrangement's 1967 revision. A new Danish trademark act entered into force January 1, 1992 which also implements the EU trademark directive harmonizing EU member countries' trademark legislation. Denmark, which formerly applied the "global exhaustion" principle on parallel imports, is now responding to a 1998 European Court ruling upholding "regional or community exhaustion". Denmark strongly supports the establishment of an EU-wide trademark system.

-Trade Secrets: As a general rule, trade secrets are adequately protected in Denmark. However, Danish legislation which requires registration of the composition of and test data for certain chemical compounds and products at this point lacks adequate protection of such

information for a number of chemical substances, including biocides. By a Danish Supreme Court ruling, the approving authorities at present are obligated to use such information for approval of similar and competitive products without the consent of the owner of those rights. The failure to protect such confidential data appears to be in violation of TRIPS Article 39.3.

-Semiconductor Chip Layout Design: Denmark has legislation implementing EU regulations for the protection of the topography of semiconductor products which also extends protection to legal U.S. persons.

Transparency of the Regulatory System: As an industrialized country based on a free market economy, Danish economic policy and laws foster competition. The Danish Competition Law was revised in 1997 (Act No. 384, June 10, 1997) in order to reflect (in large part, anyway) the "prohibition" principle used in most other EU and OECD countries. As Denmark would like to see increasing foreign direct investments, its laws and policies, which grant "national treatment" to foreign investment, support that goal. Bureaucratic procedures appear streamlined and transparent.

Efficient Capital Markets and Portfolio Investment: As noted above, Denmark has fully liberalized foreign exchange flows, including for direct and portfolio investment purposes. Credit is allocated on market terms and is freely available (depending of course on collateral offered). A large variety of credit instruments are available, including, but not limited to: commercial bank overdraft facilities for operational purposes, investment loans, export credits and financial loans in foreign currencies.

Total assets of the five largest Danish banks amount to \$179 billion and account for more than 80 percent of total banking sector assets. The two major banks, Den Danske Bank and Unibank, also operate as large financial supermarkets, each offering a broad variety of financial services. The Danish banking system is sound and under strict control by the Financial Sector Supervisory Authority.

Danish legal, regulatory, and accounting systems for the business sector are transparent and largely consistent with EU directives and regulations.

Danish company law and regulations, except in relation to the sectors mentioned above, do not authorize companies to specifically limit or prohibit foreign investment. Also the Embassy has no record of any efforts, by private sector or the Government, to restrict foreign participation in standards-setting consortia or organizations, or of practices used by private firms to restrict foreign investment.

Political Violence: Political violence, as a general rule, is unknown in Denmark.

Corruption: Corruption is generally unknown in Denmark. Corruption is covered under the Danish Penal Code (Consolidated Act. No. 648 of August 12, 1997, as amended) which provides for imprisonment of up to three years for the private individual(s) involved and up to six years for the public employee(s) involved. Denmark intends to have

implementing legislation and ratification of the OECD Anti-Bribery Code (and of EU and the Council of Europe anti-bribery conventions) in place before the end of 1999. In addition, effective January 1, 1998, Denmark repealed the right to deduct bribes paid by business to officials at home and abroad. A recent international study shows that Denmark is at the bottom of the list of countries in which corruption is found. The Embassy has no record of corruption cases in Denmark or of U.S. firms seeing corruption as an obstacle to investment in Denmark.

Bilateral Investment Agreements: Denmark's bilateral investment agreements are generally with countries where Danish investments involve participation of the government-funded Industrialization Fund For Developing Countries and the Investment Fund for Central and Eastern Europe (see below). In addition, the Parliament in early 1996 approved the establishment of an "Investment fund for Growth Markets" aimed at promoting Danish/foreign joint ventures in high-growth developing countries, e.g., South Korea, Taiwan, Argentina and Chile. Investment agreements have been entered with the following countries as of year-end 1998 (in alphabetical order and with year of publication): Argentina (1995); Bulgaria (1996); Chile (1996); China, People's Republic of (1985); Estonia (1993); Hong Kong (1995); Hungary (1989); India (1997); Indonesia (1970); Korea, South (1988); Latvia (1995); Lithuania (1994); Malaysia (1993); Mongolia (1997); Nicaragua (1998); Pakistan (1997); Peru (1997); Poland (1991); Romania (1996); Russia (1997); Czech and Slovak Federal Republic (1993); Sri Lanka (1985); South Africa (1997); Turkey (1993); Ukraine (1995); Venezuela (1997); and Vietnam (1995).

OPIC and Other Investment Programs: OPIC programs are not applicable to U.S. investments in Denmark, but may be used by at least 95 percent U.S.-owned subsidiaries in Denmark to support their investments in developing countries and in former east bloc countries. Denmark is a member of the Multilateral Investment Guarantee Agency (MIGA).

Labor: The Danish labor force includes about 2.9 million persons. The total number employed in 1998 was about 2.7 million, of which the private sector accounted for 71 percent. Official unemployment in 1998 came to 182,700, or 6.4 percent of the labor force, which is below the estimated structural unemployment rate. Limited labor bottlenecks have occurred in some industries and in some private and public services, in part a result of the economic upturn through 1998 and of people temporarily withdrawing from the labor market in order to take advantage of the government's leave program. The participation rate for women in the workforce is among the highest in the world (about 80 percent for women aged between 16 and 60 years). The labor force is highly organized with more than two million trade union members accounting for more than 80 percent of all wage and salary earners. Labor disputes and strikes occur sporadically in connection with new labor contract negotiations. As a general rule labor/management relations are excellent, based on dialogue rather than confrontation. Labor market conditions and wages are in general covered by national contracts, which were traditionally negotiated every two years. However, in connection with the 1995 contract negotiations, the industrial sector entered three-year contracts while other sectors entered two-year contracts. Labor contracts were negotiated in early 1997 covering wage earners in private sector

outside the industrial sector (one, two and three-year contracts). New two-year industrial labor contracts were legislated by the Parliament in early 1998 following a 12-day conflict due to failure to attain rank-and-file approval of the first agreement reached between management and labor. New public sector (three-year contracts) was entered in early 1999, following a short strike by nurses. Employers are complaining that the out-of-step contracts have caused a spiral effect in unions' claims, with a negative impact for the economy so, provided the industry enters two-year contracts in 2000, all labor contracts would be brought back in step in 2002.

The contractual work week for most wage earners is 37 hours. Employees are entitled to five weeks of paid annual leave. Denmark has well-functioning unemployment insurance and sick-pay schemes.

Danish wages are high by international standards, but employer contributions to social security are very low. Thus, total employer costs per hour worked are lower in Denmark than in Germany, Switzerland, Belgium, Norway, Japan, Austria and the Netherlands. In 1998, the average total direct hourly wage cost in manufacturing was DKK 151 (\$ 22.55). The lowest paid worker (retail trade) received about DKK 80 (\$ 12.00) per hour. Indirect employer costs, including overtime, holiday and vacation pay, and social contributions add about 16 percent to the direct costs. Danish wages are expected to increase about 4.5 to 5 percent in both 1999 and 2000. Denmark adheres to ILO conventions protecting worker rights. In a modern industrialized society like Denmark, with an expensive, highly skilled labor force, and labor cost factors have impacted significantly on the country's technological direction. Most Danish manufacturers, even the smaller ones, use state-of-the-art computers in production and administration.

Foreign Trade Zones/Free Ports: The only free port in Denmark is the Copenhagen Free Port. The concession for running the free port is granted to the Copenhagen Free Port and Stevedoring Company, which is fully owned by the Copenhagen Port Authority. The facilities in the free port are basically used for imports, exports, and transit trade but there are also a few manufacturing firms. However, new manufacturing operations can only be established with the permission of the customs authorities, which is granted only if special reasons exist for having the facility in the free port area. Certain minor procedures, such as preparing and finishing imported automobiles for sale, are not considered production, and are allowed in the free port. The Copenhagen Free Port welcomes foreign companies establishing warehouse and storage facilities, whether for servicing Denmark only or Scandinavia, part or all of the EU, or East European and Baltic countries.

Capital Outflow Policy: Denmark has no restrictions on exports of capital and outward direct investment. Investments in developing countries, in east and central European countries and in emerging markets with a per capita GNP not exceeding \$5,435 (1998) is promoted through the government-funded Industrialization Fund for the Developing Countries (IFU), the Investment Fund for East and Central Europe (IO), and the Investment Fund for Emerging Markets (IFV), all under the same administration. The funds offers assistance in identifying projects

and establishing joint ventures, which is also freely available to foreign-owned, including U.S., companies based in Denmark. In the project identification phase, the funds provide loans at preferential rates to finance feasibility studies which may be converted to a non-repayable grant if the project is established. In the active investment phase, the funds participate with share capital (up to 30 percent and with participation on the Board of Directors) and loans. The funds' total engagement in a project usually will not exceed 25 percent of the total investment. Once a project is financially consolidated and running smoothly, the funds withdraw from it. As noted above, OPIC programs may be used by U.S. subsidiaries in Denmark, including as a supplement to IFU/IO programs.

Foreign Investment Statistics:

Source: Danish Central Bank Foreign Direct Investment (FDI) Statistics.

For the four years ending in 1998, foreign direct investment flows averaged DKK 19.4 billion annually (\$2.9 billion). EU countries provided 51% of this. The EU breakdown was the U.K. 16% of total FDI, Sweden 14%, the Netherlands 7%, Germany 6%, and other EU countries 8%. Norway provided 7% and the United States 36%. The U.S. FDI figure includes U.S. Ameritech's takeover in 1998 of a controlling interest in the Tele Danmark which cost close to \$4 billion and is the largest FDI ever in Scandinavia.

FDI in Denmark by Country of Origin (annual inflows in billions of Kroner)

	1995	1996	1997	1998
TOTAL ALL	19.4	11.0	10.3	37.0
(percentage of GDP)	(1.9%)	(1.0%)	(0.9%)	(3.2%)
of which				
EU total	15.8	9.0	7.9	7.0
of which				
-United Kingdom	8.0	0.7	2.3	1.5
-France	0.6	0.4	0.7	0.8
-The Netherlands	2.0	1.6	0.8	0.8
-Germany	1.5	1.6	0.6	1.1
-Sweden	3.1	3.2	3.1	1.7
Other total	3.6	2.0	2.4	30.0
of which				
--Norway	0.5	0.5	1.4	3.1
--United States	1.0	1.0	0.5	25.7
--Japan	0.0	0.1	0.0	0.0

FDI in Denmark, Distribution by Sectors (annual inflows in billions of Kroner)

	1995	1996	1997	1998
TOTAL ALL	19.4	11.0	10.3	37.0
Manufacturing	2.3	3.0	3.2	1.8

of which				
-Food/Beverages	0.9	0.4	0.6	0.2
-Chemical Industry	0.2	0.4	0.2	0.1
-Metalworking	0.6	1.2	1.6	1.3
Building/Construction	1.2	0.5	1.1	0.1
Agriculture and				
Raw Materials	0.0	1.0	0.5	0.8
Trade, Hotels, etc.	3.3	2.1	1.9	2.7
Transport and				
Communication	1.7	1.0	0.7	25.0
Financial Sector and				
Business services	10.6	2.9	2.6	5.5

Danish FDI abroad by Country of Destination (annual outflows in billions of Kroner):

	1995	1996	1997	1998
TOTAL ALL	20.5	18.9	22.1	29.3
(Percentage of GDP)	(2.0%)	(1.8%)	(2.0%)	(2.5%)
of which				
EU total	9.6	14.0	14.2	21.6
of which				
-United Kingdom	0.9	1.4	3.1	11.5
-France	0.7	0.6	0.3	0.2
-The Netherlands	1.1	5.5	0.7	1.0
-Germany	2.9	0.9	2.9	1.3
-Sweden	2.2	4.4	5.0	3.4
Other total	10.9	4.9	7.9	7.7
of which				
--Norway	0.3	0.4	0.7	2.4
--Switzerland	2.3	0.8	1.7	1.2
--Eastern Europe	1.1	1.5	1.3	1.1
--United States	5.3	1.1	1.9	0.8
--Japan	0.1	0.2	0.1	0.3

H. Major Foreign Investors: The major foreign investors in Denmark are other EU countries, Norway and the United States. The Danish Central Bank, most recently in late 1998, published detailed FDI stock figures as of the end of 1996. Total FDI in Denmark (equity capital and inter-company loans net) was valued at DKK 132.8 billion, distributed between Sweden (DKK 21.1 billion), the United States (DKK 17.7 billion), Norway (DKK 17.6 billion), United Kingdom (DKK 16.1 billion), the Netherlands (DKK 11.4 billion), other EU countries (DKK 26.0 billion), and other countries (DKK 22.8 billion). The figure for the U.S. increased sharply in 1998 with U.S. Ameritech's take-over of a controlling interest in the national telecommunication entity Tele Danmark (which almost tripled U.S. FDI to some \$6 billion). Other major U.S. FDI in Denmark is in oil exploration, trade, and financial services.

There are about 250 U.S. subsidiaries in Denmark representing roughly one-quarter of the present value of total FDI in Denmark. Reference is also made to the U.S. Department of Commerce's publication Survey of

Current Business which provides additional information on the U.S. FDI position in Denmark.

The following major FDI in Denmark by U.S. companies are:

Ameritech	Telecommunications
IBM	Information Technology (IT)
Compac	IT
Hewlett-Packard	IT
Texaco	Energy
Amerada Hess	Hydrocarbon exploration
GE Capital Bank	Finance
York Holdings Corp.	Refrigerating Equipment
Tenneco Inc.	Automotive
Computer Sciences Corp., USA	Information technology
BellSouth	Telecommunications
Lucent Technologies	Optical fibers

VIII. TRADE AND PROJECT FINANCING

Brief Description of the Banking System: The core of the Danish banking system is the Danish National Bank, an autonomous central bank. It establishes monetary policy including the interest rate structure and monitors money supply. There are 114 (1995) commercial and savings banks in Denmark, all of which operate under the same basic conditions. The two largest, Den Danske Bank and Unibank have nationwide networks of branch banks and, in addition to their commercial banking activities have subsidiaries engaged in mortgage financing, stockbroking, leasing, factoring, investment, property and insurance. Together, they account for close to two-thirds of total banking sector assets. The largest, Den Danske Bank, had total assets of \$79 billion at the end of 1996 and employed 11,110 people. Unibank, the second largest, had total assets of \$58.5 billion and a staff of 9,851. Several banks operate branches abroad, including in the United States. There are 19 foreign banks, mostly European, with branches or offices in Denmark, including two American banks. These are Citicorp (through its U.K. subsidiary) and Republic National Bank of New York. In addition to the commercial banking system, other major credit institutions include mortgage credit companies, leasing and factoring companies, government and private venture capital organizations and pension funds.

Foreign Exchange Controls Affecting Trading: There are no foreign exchange controls in Denmark.

General Financing Availability: The vast majority of small-to medium-sized Danish firms are financed by commercial bank credit lines. The credit line is typically extended on a continuous, revolving basis and is not subject to an annual settlement. Such credit lines are usually established to finance day-to-day operations, including inventory financing. Larger corporations may obtain capital through stock offerings on the Copenhagen Stock Exchange (in some cases even on U.S. stock exchanges), or through direct negotiation with institutional investors such as pension funds. Financing is often a problem for small-to medium-sized companies with high growth, or growth potential.

Frequently, such companies chose or are forced to solve their financing problems by selling out to foreign, including U.S., corporations.

How to Finance Exports/Methods of Payment: U.S. exports to Denmark are usually financed by the importer or the importer's bank. Eximbank financing is available but rarely used. The most common method of payment for an importer in the early phases of a business relationship is by Irrevocable Letter of Credit opened through a commercial bank. This is a recognized procedure, well-known and acceptable to Danish banks and importers. When a business relationship has reached a stage of mutual trust, payment credits are often extended by the exporter for periods varying from 30 - 90 days. There are no local credit facilities available specifically to finance imports from the United States, or any other country.

Types of Available Export Financing:

Most exports to Denmark are financed by Danish commercial banks. Eximbank financing is available but rarely used.

Project Financing Available: The Danish Government arranges its own financing for infrastructure projects. Private projects are financed through a well-established local capital market. Multilateral institutions which make project finance available include the European Investment Bank and the Nordic Investment Bank.

List of Banks with Corresponding U.S. Banking Arrangements:

All major Danish banks have correspondent bank relationships in the United States. Most of them have such relationships with more than one American bank. The two largest have branches in New York as follows:

Den Danske Bank
280 Park Avenue
New York, NY 10017-1216

Unibank A/S
13-15 West 54th Street
New York, NY 10019

IX. BUSINESS TRAVEL

Business Customs: Danish business people are likely to get down to business right away and are generally conservative and efficient in their approach to business meetings. Handshakes are the accepted form of greeting. Danes shake hands both for greetings and good-byes. Unlike in the United States, men do not stand when a woman enters or leaves a room. Some American forms of greeting can be misunderstood. The standard American greeting "How are you?" may, although rarely, be misunderstood. "I'm pleased to meet you" is preferable and conveys a more sincere message. Business gifts are not a normal custom in Denmark. Flowers for the hostess are suitable, if invited to someone's home. Business entertaining is usually done at lunch, and more rarely at dinner in a restaurant. English is widely spoken and understood.

Danish businessmen and Government employees will communicate, orally and in writing, in English. Interpreters are seldom required.

Business Appointments: Advance appointments are always required and punctuality is a must; it is considered rude to be late. Danes work shorter hours than Americans. The standard work week is 37 hours. Mandatory vacation is five weeks per year plus local holidays (see below). At least three weeks are taken during summer, one often around Christmas, and one during the winter. School vacation is from about June 20 to about August 8 and generally, business is slow in that period with many executives out and some companies closed. It is not advisable to schedule business meetings or other business activities in Denmark from late June to early August, from December 20 - January 5, or in the week of Easter. Danes treasure their leisure time, most of which is spent with the family. Business persons should not expect to meet with their Danish counterparts after 4.00 p.m. on weekdays. On Fridays, many Danes leave early, generally between 2 - 3 p.m. Do not plan meetings for Saturdays, Sundays, or on national holidays (see below).

Travel Advisory and Visas: The national carrier, Scandinavian Airlines System (SAS) provides non-stop service from Copenhagen to New York, Chicago, and Seattle. United provides service to Copenhagen in cooperation with Lufthansa and SAS. The major U.S. credit cards are accepted in Denmark and all major U.S. car rental companies have offices at airports and major cities. A number of Danish hotels are affiliated with U.S. hotel management companies. Consequently, a U.S. business visitor may plan his entire trip to Denmark through his local travel agent, including overseas and local transportation and lodging. Citizens from non-EU countries must apply for both residence and work permits before arriving in Denmark, if their stay is expected to last for more than three months, or if they have already been resident in Denmark or one of the other Scandinavian countries for the last nine months. In the United States, applications may be submitted to the Danish embassy, or one of its diplomatic missions in the larger U.S. cities. American business visitors and tourists do not need visas if staying in Denmark for less than three months.

U.S. business travelers are encouraged to obtain a copy of the "Key Officers of Foreign Service Posts: Guide for Business Representatives" available for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402; tel. (202)512-1800; fax (202) 512-2250. Business travelers to Denmark seeking appointments with U.S. Embassy Copenhagen officials should contact the Commercial Section in Advance. The Commercial Section can be reached on telephone (011 45) 35553144, #270 or by fax at (011 45) 35420175.

Holidays (2000): January 1 (New Year's Day), April 20 (Maundy Thursday), April 21 (Good Friday), April 24 (Easter Monday), May 19 (Prayer Day), June 1st (Ascension Day), June 5 (Constitution Day), June 12 (Whit Monday), December 24 (Christmas Eve), December 25 (Christmas Day), December 26 (Second Christmas Day), December 31 (New Years Eve). The American Embassy is closed for business on these and on official U.S. holidays.

Business Infrastructure: Denmark (Greenland and the Faeroe Islands not included) covers an area of 43,000 sq.km of which the Jutland peninsula accounts for 29,776 sq.km. The capital of Copenhagen (1.3 million), which is also the center of government and business, is located on the island of Zealand, close to western Sweden. The country is small and, although the main islands of Zealand and Funen are separated from the Jutland peninsula by water, communications and transport via bridges and tunnels are highly developed. The infrastructure is excellent everywhere. Business visitors may move easily from one part of the country to another by domestic airlines or by modern fast trains. There are 70,000 km of fine roads in Denmark (including 1,000 km of freeway) and a 3,000 km railway network. There are 13 civilian airports of which Copenhagen International Airport (Kastrup) is the largest. It is Scandinavian Airlines System's consolidated hub for U.S.-bound traffic. Copenhagen also has a modern seaport catering to freight vessels as well as to ocean cruise liners. Other major ports are at Esbjerg, Aalborg, Aarhus, and Fredericia. The Port of Copenhagen includes a free port (see above). Telecommunication services are highly developed. Denmark is a central link for satellite communications between the former East Bloc and Western Europe and the United States. Its telephone systems provide first class digital service, and several cellular system providers offer excellent Trans-European and worldwide mobile communications. Very few non-Danes speak Danish so almost all Danish business people speak English as a second language. Many also speak German and French.

Housing: For expatriates working in Denmark, rental of a house or an apartment is the most common arrangement. Housing costs are well above those in major American cities. Denmark has a high standard of living. Public and private health services are generally good. The price level for food and durable consumer goods is considerably higher than that of the United States, and among the highest in Western Europe. Automobiles are more heavily taxed than in other European countries and cost about three times what they would in the United States. Americans will recognize many U.S. food and other consumer item brands in Danish stores.

APPENDIX A: COUNTRY DATA

Population (End 1997): Denmark Proper: 5.3 million
 Faroe Islands: 44,290
 Greenland: 55,917 (Jan. `1997)
 Population Growth Rate: 0.4 percent
 Religion: Lutheran (97 percent)
 Government System: Constitutional Monarchy
 Head of State: Queen Margrethe II
 Head of Government: Prime Minister Poul Nyrup Rasmussen (Social Democrat)
 Language: Danish (most business people speak English)
 Work Week: 37 hours, Monday through Friday

APPENDIX B: DOMESTIC ECONOMY

In millions of U.S. dollars unless otherwise stated, converted from Danish Kroner (DKK) using the 1997 average exchange rate of DKK 6.60 = \$1.00. P = Projected.

	1997	1998P	1999P
GDP at current prices	169,833	176,500	185,000
GDP Growth Rate (Real)	3.4%	2.5%	1.9%
Per Capita GDP, current prices(\$)	32,140	33,270	34,730
Government Spending (Percent/GDP)	56.9%	55.6%	54.2%
Inflation (percent)	2.2%	2.0%	2.7%
Unemployment Rate (Pct./Labor Force)	7.7%	6.6%	6.2%
Foreign Exchange Reserves, Yr End	19,430	20,000	20,000
Average Dollar Exchange Rate(DKK):	6.60	6.90	6.90
Total Foreign Debt (Percent/GDP)	25.8%	24.1%	21.9%
Debt Service Ratio 1/	5.9%	5.6%	5.3%

1/ This figure covers net interest payments on the foreign debt as a percentage of total goods and services export income.

APPENDIX C; TRADE

In millions of U.S. dollars based on the 1997 average exchange rate of DKK 6.6=\$1.00.

	1997	1998P	1999P
Total Commodity Exports (fob)	48,805	51,500	55,000
Exports to U.S.A.	2,234	2,350	2,500
U.S. Share	4.6%	4.6%	4.6%
Total Commodity Imports (cif)	44,500	47,000	49,500
Imports from the U.S.A.	2,244	2,400	2,500
U.S. Share	5.0%	5.1%	5.1%

Imports of Manufactured Goods in 1997
(SITC 5-9 less Gold)

Total (From World)	32,000
From the U.S.A.	1,915
U.S. Share of Manufactured Imports	6.0%
Manufactured Goods Balance with U.S.A.	-42

Projected Average Annual Growth Rate Through 1999

From World	5.0%
From the U.S.A.	5.0%

Imports of Agricultural Goods in 1996
(SITC 0-1-21-22-24-29-4)

From World	5,900
From the U.S.A.	276
U.S. Share of Agricultural Imports	4.7%
Agricultural Goods Balance with U.S.A.	81

Trade Balance with Three Leading Partners (1997)	
Germany	801
Sweden	17
United Kingdom	1,330

Top-Five U.S. Exports to Denmark in 1997	
HS 88.02 (Aircraft)	214
HS 84.71 (Computers)	173
HS 99.10 (Military equipment)	140
HS 84.73 (Computer parts)	107
HS 35.07 (Enzymes)	80

Top-Five Imports from Denmark in 1997 3/	
HS 94.03 (Furniture)	100
HS 02.03 (Pork meat)	100
HS 89.05 (Oil platform)	100
HS 16.02 (Canned pork)	68
HS 29.30 (Organic Sulfur Compounds)	58

3/ Danish statistics treat figures on exports to the United States of plastic toy blocks (HS 95.03 made by Lego) and insulin (HS 30.04 made by Novo) as "business confidential". These exports are estimated at about \$120 million in 1997.

Source : Danish Bureau of Statistics and U.S. Trade Statistics.

APPENDIX D. INVESTMENT STATISTICS:
(See VII. Investment Climate)

APPENDIX E: U.S. AND COUNTRY CONTACTS

1. Industry Sector Contacts

a) Danish Government Agencies

Ministry of Foreign Affairs
Asiatisk Plads 2
DK-1448 Copenhagen K.
Tel: 33 92 00 00
FAX: 31 54 05 33

Ministry of Business and Industry
Slotsholmsgade 12
DK-1216 Copenhagen K.
Tel: 33 92 33 50
FAX: 33 12 37 78

Danish Customs
Customs and Tax Region 1
Strandgade 100
DK-1401 Copenhagen K
Denmark
Tel: (45) 32-88-93-00
Fax: (45) 31-95-10-12

Danmarks Statistik (Danish Bureau of Statistics)
Sejerogade 11
DK-2100 Copenhagen O.
Tel: 39 17 39 17
FAX: 31 18 48 01

Dansk Standard (Danish Standards Association)
Kollegievej 6
DK-2920 Charlottenlund
Tel: 39 96 61 01
FAX: 39 96 61 02

Flyvematerielkommandoen (Air Materiel Command)
Flyvestation Vaerlose
P.O. Box 130
DK-3500 Vaerlose
Tel: 44 68 22 55
FAX: 44 66 25 33

Forbrugerstyrelsen (The National Consumer Agency of Denmark)

Amagerfaelledvej 56
DK-2300 Copenhagen S.
Tel: 31 57 01 00
FAX: 32 96 02 32

DSB (Danish State Railways)
Solvgade 40
DK-1349 Copenhagen K.
Tel: 33 14 04 00
FAX: 33 14 04 40

Haerens Materielkommando (Army Materiel Command)
Arsenalvej 55
DK-9800 Hjorring
Tel: 98 90 13 22
FAX: 98 90 06 23

Miljostyrelsen (The National Agency of Environmental Protection)
Strandgade 29
DK-1401 Copenhagen K.
Tel: 31 57 83 10
FAX: 31 57 24 49

Patentdirektoratet (The Patent Agency)
Helgeshoj Alle 81
DK-2630 Taastrup
Tel: 43 71 71 71
FAX: 43 71 71 70

Sovaernets Materielkommando (Navy Materiel Command)
Holmen
DK-1433 Copenhagen K.
Tel: 31 57 22 55
FAX: 32 96 80 55

Statens Luftfartsvaesen (Civil Aviation Administration)
 Luftfartshuset
 Ellebjergvej 50
 DK-2450 Copenhagen SV
 Tel: 36 44 48 48
 FAX: 36 44 03 03

Sundhedsstyrelsen (National Board of Health)
 Amaliegade 13
 DK-1256 Copenhagen K.
 Tel: 33 91 16 01
 FAX: 33 93 16 36

Laegemiddelstyrelsen

(The Danish Medicines Agency)
 Frederikssundvej 378
 DK-2700 Bronshoj
 Tel: 44 88 91 11
 FAX: 42 84 70 77

Dansk Godkendelse af Medicinsk Udstyr - DGM
 (Danish Medical Devices Certification)
 Kollegievej 6
 DK-2920 Charlottenlund
 Tel: 39 96 64 00
 FAX: 39 96 64 01

Telestyrelsen (National Telecom Agency)
 Holsteinsgade 63
 DK-2100 Copenhagen O.
 Tel: 35 43 03 33
 FAX: 35 43 14 34

b) Danish Trade Associations/Chambers of Commerce

i. Danish/American Associations:

The American Chamber of Commerce in Denmark
 Christians Brygge 28
 DK-1559 Copenhagen V
 Tel: 33 93 29 32
 Fax: 33 13 05 17

American Club in Copenhagen
 c/o PACE
 Ny Ostergade 23
 DK-1101 Copenhagen K.
 Tel: 33 14 76 56
 Fax: 33 11 97 47

ii. Danish Associations

Confederation of Danish Industries
 H.C. Andersens Boulevard 18

DK-1787 Copenhagen V.
Tel: 33 77 33 77
FAX: 33 77 33 00

The Danish Chamber of Commerce
Borsen
DK-1217 Copenhagen K.
Tel: 33 95 05 00
FAX: 33 32 52 16

The Agricultural Council
Axeltorv 3
DK-1609 Copenhagen V
Tel: 33 14 56 72
Fax: 33 14 95 74

Danish Franchise Association
Amaliegade 37,3
DK-1256 Copenhagen K

Tel: 33 15 60 11
FAX: 33 91 03 46

c) Market Research Firms

AIM Research A/S
Strandboulevarden 89
DK-2100 Copenhagen O.
Tel: 35 43 35 43
FAX: 35 43 26 34

Burson-Marsteller A/S
Ostergade 26
DK-1100 Copenhagen K.
Tel: 33 32 30 00
FAX: 33 32 30 01

Nielsen Marketing Research A/S
Strandboulevarden 89
DK-2100 Copenhagen O.
Tel: 35 43 35 43
FAX: 35 43 13 31

Vilstrup Research A/S
Rosenvaengets Alle 25
DK-2100 Copenhagen O.
Tel: 35 43 66 33
FAX: 35 43 66 16

d) Commercial Banks

Citibank N.A. (Subsidiary of Citicorp)
Industriens Hus
Vesterbrogade 1-B
DK-1620 Copenhagen V.

Tel: 33 15 50 30
FAX: 33 32 88 73

Den Danske Bank A/S
Holmens Kanal 2-12
DK-1092 Copenhagen K.
Tel: 33 44 00 00
FAX: 31 18 58 73

Unibank A/S
Torvegade 2
DK-1786 Copenhagen V.
Tel: 33 33 33 33

FAX: 31 54 21 33

A/S Jyske Bank
Vestergade 8-16
DK-8600 Silkeborg
Tel: 89 22 22 22
FAX: 89 22 24 96

e) U.S. Embassy Trade Personnel

Christian Reed
Senior Commercial Officer
American Embassy
Dag Hammarskjolds Alle 24
DK-2100 Copenhagen O.
Tel: 35 55 31 44
FAX: 35 42 01 75
christian.reed@mail.doc.gov

f) Washington-based USG Country Contacts

TPCC Trade Information Center
Washington DC
Tel: 1-800-USA-TRADE

Agricultural Export Services Div.
Foreign Agricultural Service
U.S. Department of Agriculture
14th and Independence Ave, SW
Washington DC 20250-1000
Tel: 202-720-7420
Fax: 202-690-4374

U.S. Department of Commerce
Denmark Desk
Room H-3043
14th and Constitution Ave., N.W.
Washington, DC 20230
Tel: (202)-482-4414
Fax: (202)-482-2897

g) U.S.-based Multipliers Relevant for Denmark

Danish American Chamber of Commerce
 825 Third Avenue, 32nd Fl.
 New York, NY 10022
 Tel: (212)-980-6240
 FAX: N/A

Commercial Counselor
 Royal Danish Consulate General
 825 Third Avenue
 New York, NY 10022-7519
 Tel: (212)-223-4545
 FAX: (212)-754-1904

2. Agricultural Sector Contacts

Ministry of Food, Agriculture and Fisheries
 Veterinary And Food Directorate
 Rolighedsvej 25
 DK-1958 Frederiksberg C
 Danmark
 Tel: (45) 31-35-60-00
 FAX: (45) 35-36-60-01

Services: Physical examination and control procedures applicable to livestock and meat products for the Danish market. Advice about legal compliance with legislation on artificial aromas, additives.

American Embassy
 Office of Agric. Affairs
 Dag Hammarskj_lds Alle, 24
 DK-2100 Copenhagen O
 Danmark
 Tel: (45) 35-55-31-44 (Embassy)
 Tel: (45) 35-26-10-81 (FAS)
 FAX: (45) 35-43-02-78 (FAS)

Mailing address for mail from the U.S.A. :
 Office of Agric. Affairs
 PSC-73
 American Embassy (FAS)
 APO AE 09716-5000

Services: Commodity and other analytical market reports (see list below); Danish retail food contacts; trade and other statistics; administrative support for promotional events; marketing background for selected retail food and agricultural products; technical, tariff and excise duties, regulatory and food labeling/additive information.

The Institute for Food Studies
 & Agro-Industrial Development
 Venlighedsvej 6
 DK-2970 Horsholm
 Denmark

Tel: (45) 42-57-05-82
Fax: (45) 45-76-58-60

Services: Conducts special food related studies.

APPENDIX F: Market Research

I. USFCS Reports

a. Scheduled for Completion During FY 1999

Dental Equipment
Air Charter Travel Market
Internet Services
Air Pollution Control Equipment
Wind Power
Fast Food Franchising
Local Area Network Equipment

b. Scheduled for Completion During FY 2000

Value-added Telecom Services
Hazardous Waste Management
Commuter and Business Aircraft
Airport Development Opportunities
Automotive (to be named)
Energy (to be named)
Medical (to be named)
Tourism (to be named)
Franchising (to be named)

*Note: The above Market research schedule is tentative. Please consult the NTDB for a current and complete list.

II. FAS Reports, Scheduled for Completion During FY 2000:
(Same Reports Scheduled for FY 99)

Livestock Semi-Annual Report
Dairy Semi-Annual Report
Planting Seeds Annual Report
Tobacco Annual Report
Oilseeds & Products Annual Report
Annual Marketing Plan
Livestock Annual Report
Fresh Deciduous Fruit Annual Report
Seafood Annual Report
Agricultural Situation (Annual) Report
Dairy Annual Report

Forest Products Annual Report
Annual Competition Report

APPENDIX G: TRADE EVENT SCHEDULE

(Note: Schedule was incomplete at time of writing. U.S. companies are advised to consult the Export Promotion Calendar on the NTDB or the post's commercial section for the latest information)

1. Visit USA Seminar and Exhibition, Copenhagen, 03/99
2. New Hampshire State Trade Mission to Scandinavia, Copenhagen, 11/99
3. Showcase Europe Events Outside Denmark, promoted by FCS
Copenhagen:

Aerospace:

Farnborough Air Show, Farnborough, U.K.09/00

Energy:

N/A (See note above)

Environmental Technologies:

WEFTEC '99, New Orleans, 10/99

(See note above)

Information and Communication Technologies:

ITU Conference and Exhibition, Geneva, Switzerland, 10/99

CeBit, Hannover Germany 03/00

Medical:

MEDTRADE '99 New Orleans, 11/99

MEDICA '98, Düsseldorf, Germany, 11/99

Automotive:

Equip Auto, Paris France 10/99

Automotive Industry Aftermarket Week, Las Vegas, 11/99

In addition to the above, post plans to

-Promote Danish attendance to International Buyers Program (IBP) trade events in the United States, with special emphasis on the selected Showcase

Europe industry categories and the categories identified in the Best Prospects List.

-Promote Danish attendance to major European shows and missions with USDOC-organized American participation

-Continue series of Showcase Europe-related business meetings hosted by the Ambassador/DCM.

-Carry out on behalf of U.S. NTM companies, single company product/service promotions in the Embassy's auditorium.

End of document