



# Invest in Greenland



Published by  
Branding Greenland  
2009



# INVEST IN GREENLAND

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# INTRODUCTION AND BUSINESS OPPORTUNITIES

Being a modern, industrialized country, Greenland offers a range of business opportunities, whether inside or outside Greenland.

Greenland has one of the most modern fleets of fishing vessels in the world today and a large industry exporting high quality seafood products to markets all over the world. Greenland provides new opportunities for the oil and minerals exploration industry backed up by an ample workforce and infrastructure.

Greenland offers new adventures for tourists wanting to experience the wilderness of the arctic climate or the peace and calm of the inland fiords.

We offer large amounts of ice and fresh water of unique quality and nature for the rest of the world. And our water supply also works as a sustainable energy resource.

Greenland is also involved in research, trying to explore the ways in which the Arctic can provide new solutions for the rest of the world to enjoy. Whether technology or food products research and development in Greenland has something new to share with the world.

Greenland is geographically situated between North America and Europe, and is a natural gateway and stepping-stone between the two continents and the American and European economies and businesses.

Greenland has a lot to offer and we invite you to use this website as your starting point in doing business in Greenland.

For more information please contact the Ministry of Industry at [isiin@gh.gl](mailto:isiin@gh.gl).

# TOURISM

Greenland is a land of contrasts.

A mild, sunny summer in the green inland fjords can turn into an unforgiving Arctic winter with howling winds and heavy snowfall. Both extremes, however, carry the promise of experiencing nature up close and personal.

Greenland is a promise of adventure and a lot of work is put into trying to match the level of excitement to the wishes of our visitors, whether it be heli-skiing or trophy hunting, or a quiet cruise on the iceberg-filled UNESCO World Heritage Ilulissat Icefjord and a recreational dip in hot springs. Not to mention a dogsled daytrip followed by dinner under a night sky illuminated by the spectacular northern lights.

Globalisation means that borders disappear and distances shorten. With its geographical position between Europe and North America Greenland has many possibilities to get inspired of both cultures and being part of new networks, strategic partnerships and business opportunities.

Greenland also combines the traditional with the modern. Visitors are able to experience the traditions of the Inuit, modern style ski sports, and comforting hotels. Transport to the different destinations can happen by airplane, helicopter or cruise ship or you can explore Greenland's spectacular scenery on foot, by dogsled or by snowmobile. Guests will also experience the unique, traditional Greenlandic ingredients prepared to meet international standards – "The Taste of Greenland meeting the world" from the French cuisine to the Asian-style kitchen; a dining experience only available in Greenland.

The new division of Greenland in four big municipalities gives more space for regional branding of the vast varieties of the Greenlandic nature and culture. Dog sledging and polar bear hunting in the north, trophy hunt for musk oxen or reindeer in the west, adventure camps in the east, and sheep farming and agriculture in the south are only a few examples.

More and more tourists are choosing to sail along the coasts of Greenland. The most important reason for this is that cruise ship guests are seeking out different and exotic destinations. And Greenland fulfils all their notions and dreams with its breathtaking nature, unique local population and colourful culture.

Today and in recent years, Cruise Greenland (affiliated with Greenland Tourism & Business Council) has registered a continuing increase in interest in adding Greenland to the range of North Atlantic cruise itineraries with annual growth rates of up to 30-40%.

For more information on possibilities and business opportunities please look at [www.greenland.com](http://www.greenland.com) or the regional tourism centres at: [www.northgreenland.com](http://www.northgreenland.com), [www.nuuk-tourism.gl](http://www.nuuk-tourism.gl), [www.eastgreenland.com](http://www.eastgreenland.com), [www.qeqqata.gl](http://www.qeqqata.gl), [www.southgreenland.gl](http://www.southgreenland.gl).

# MINERAL RESOURCES AND OIL EXPLORATION

Today Greenland is experiencing an increased focus on the country's potential with respect to the international minerals and petroleum industry, and many interesting discoveries have already been made to date. --

Handling the responsibility for the management of petroleum and mineral resource activities in Greenland is the Bureau of Minerals and Petroleum (BMP) under the auspices of the Government of Greenland.

BMP is responsible for all case processing and is the only authority the industry needs to contact in order to receive the necessary licenses. This ensures efficient processing of applications for petroleum and mineral resource activities.

BMP contributes to the financing and implementation of a number of projects that can provide new knowledge about Greenland's petroleum and mineral potential.

BMP engages in concerted efforts to promote Greenland's petroleum and mineral potential through participation in international trade shows and exhibitions and through direct promotional initiatives aimed at selected petroleum and mining companies.

Greenland aims to make petroleum and mineral resources one of its primary industries. Developments within petroleum and mineral resource activities must therefore take place in a clear dialogue with the population of Greenland. As a consequence, BMP is striving to establish a clear and comprehensible framework for petroleum and mineral resource activities via a number of information activities in order to encourage a successful working relationship between the industry and the general public.

Active licences in Greenland 2001 - 2008	2001	2002	2003	2004	2005	2006	2007	2008
# of prospecting licences (minerals)	6	6	11	12	12	14	14	14
# of exploration licences (minerals)	19	17	19	22	33	29	63	68
# of exploitation licences (minerals)	0	0	1	1	2	2	2	3
# km2 under mineral exploration licences	10,264	5,956	5,714	8,560	12,986	14,782	23,379	24,578
Exploration expenses (minerals, mill. DKK)	111.8	20.8	44.9	66.2	191	135	471	103
# of prospecting licences (petroleum)	9	10	11	9	9	11	11	17
# of exploitation licences (petroleum)	2	1	1	1	2	2	6	13
# km2 under petroleum exploitation licences	14,231	3,985	3,985	3,985	6,882	6,882	55,119	130,000

Greenland combines its natural resource potential with focused efforts on the supply of the right logistics and workforce.

The logistical needs of the industry are served by modern infrastructure in Greenland. Every city or other locations of interest are within reach by airplane, helicopter or ship.

By establishing contact between the exploration company and the Government of Greenland, the Government can help identify the specific needs of the industry for which an adequate number of local personnel will be trained.

BMP communicates full and relevant information to the international petroleum and mining industry at [www.bmp.gl](http://www.bmp.gl).

# **GREENLANDIC ICE AND WATER EXPORT POTENTIAL**

Greenland's territory is dominated by the Inland Ice Cap, an enormous ice formation shedding tons of icebergs in the numerous fjords of Greenland.

The ice dates back tens of thousands of years, and covers most of the land, providing Greenland with an enormous number of freshwater lakes and springs, and huge quantities of drinking water and ice.

The quality, nature and story-telling aspect of Greenlandic ice and water is unique, and the ice is used in the production of high-end beverages and in its original form in "on the rocks" servings.

This has led to the establishment of production and export of Greenlandic freshwater and Inland Ice as a new commercial venture in Greenland. To develop the commercial potential, Greenland is seeking cooperation with international distributors and investors.

For further information regarding the commercial potential, including concessions, technical data, market analyses, investment and legislation, please contact the Ice and Water Secretariat at [isiin@gh.gl](mailto:isiin@gh.gl) or find relevant information at [www.iceandwater.gl](http://www.iceandwater.gl).

# **INNOVATION AND ARCTIC RESEARCH**

Greenland offers unique research conditions in a wide range of fields and is the focus of many international research projects within the natural sciences and the arts.

The Arctic environment provides numerous data important for research into climate change, weather forecasting, geology and biology to name but a few areas. Greenland also provides conditions suitable for extreme equipment testing and performance tests. Greenland wishes to play an active role in the world of science and business, and an Arctic Technology research centre has been established. This centres work in an effort to strengthen knowledge-based industry in Greenland and are open for international research projects and cooperation schemes.

For further information on ongoing or former research projects, or on how to employ Greenland in research projects, please contact the Ministry of Culture, Education, Research and the Church at [kiiin@gh.gl](mailto:kiiin@gh.gl).

For information on the Arctic Technology Centre go to [www.arktiskcenter.gl/English.aspx](http://www.arktiskcenter.gl/English.aspx).

# **BIOLOGICAL RESOURCES AND BIOTECHNICAL RESEARCH**

Greenland is home to many unique biological discoveries and has a number of extreme and special ecological niches. One example is the ikaite tufa columns in the Ikka Fiord. So far no other alkaline, low-saline and low temperature environment has been discovered in the World. Molecular analysis of the bacterial diversity in ikaite columns show that approx. 1/3 of the isolates represent new species or genera.

These biological resources provide ample opportunities for biotechnical research, screening for enzymes with an industrial potential and commercial utilization by the pharmaceutical industry, detergent industry and other biotechnology sectors.

In the autumn of 2006 Greenland's parliament passed a law enabling the research and utilization of Greenlandic biological resources with industrial potential. As a consequence researchers who want to commit scientific research on matters of biotechnical interest have to obtain a survey licence. This enables the international biotechnical industry to make use of the unique biological resources in their products by obtaining a commercial licence.

For more information on the research and commercial utilization of Greenlandic biological resources, please contact the Ministry of Industry at [isiin@gh.gl](mailto:isiin@gh.gl).

# FISHERIES, AGRICULTURE AND HUNTING

The presence of rich wildlife has made it possible for the Inuit to settle along the Greenlandic coast. Animals in the ice-filled sea and the inaccessible interior laid down the foundation for the Inuit way of life – and for the delicacies we now enjoy in Greenland, which are starting to turn heads in the world of gastronomy.

Greenland is home to one of the most modern fleets of fishing vessels in the world today and has a large industry exporting high quality seafood products to markets all over the world. Fish and seafood production is currently the primary export industry.

More than 90% of all exports are derived from fish products, including prawns and Greenland halibut. The fish caught are wild fish living in non-polluted waters and thereby grow as nature intended – without growth-enhancing or medical additives.

Most of the world knows the coldwater prawns of Greenland and other products from the Arctic waters. The growth conditions here make the context and nature of the meat unique. Greenlandic cuisine also offers tender meat from wild reindeer, musk oxen and lamb, uniquely flavoured by the special Greenlandic vegetation.

The vegetation itself is yet another contribution to world cuisine. The Arctic environment makes Greenlandic vegetables, herbs, plants and roots a unique flavour supplement to enhance dining experiences everywhere.

For further information, please contact the Ministry of Fisheries, Hunting and Agriculture at [apnn@gh.gl](mailto:apnn@gh.gl).

# GREENLANDIC CUISINE

When it comes to dining, the special and traditional food products of Greenland give the world of gastronomy a whole new dimension not experienced anywhere else in the world today.

And we are willing to share: Entirely new dining experiences are waiting for anyone wanting to try a whole new range of dishes of fish, shellfish or reindeer and other wildlife like the musk oxen; or for those trying to spice up old recipes with the unique flavours of Greenland.

The clean, Arctic environment provides special conditions in which Greenlandic wildlife and fish develop into uniquely flavoured meat dishes only available in Greenland.

Moreover, as traditional hunters provide a lot of the food produced in Greenland, transporting the meat by dogsled through the Arctic winter landscape, Greenlandic food products contain a unique story, enhancing the dining experience anywhere.

A dedicated effort has been put into developing Greenlandic cuisine to provide the rest of the gourmet world with new variants of existing dishes or entirely new dishes suitable for the quality-conscious guest.

To supplement these new dishes, Greenland has also seen the birth of several micro-breweries making Greenlandic beer and ales available to the Greenlandic population and the international beer market.

For more information on suppliers, please contact Greenland Tourism & Business Council at [info@inussuk.gl](mailto:info@inussuk.gl).

# INFRASTRUCTURE

The infrastructure of Greenland is flexible and can easily be adapted to the specific demands of the industrial sector.

All locations are reachable by either airline or sea traffic. There are three airports connecting Greenland with Europe: Kangerlussuaq on the west coast with connections to Denmark, Narsarsuaq in the south with connections to Denmark and a summer service to Iceland, and Kulusuk on the east coast with connections to Iceland.

Efforts are constantly being made to make it easier to get to Greenland. To support these endeavours, further international airports in the capital of Nuuk and at the main tourist destination, Ilulissat, are being planned just as air links to North American destinations are being considered.

From the international airports, smaller domestic planes fly to most of the coastal towns of Greenland within approximately one hour. For special assignments, such as the transport of people or equipment to remote inland destinations, a fleet of helicopters and planes is available.

No roads or railways exist between the towns of Greenland, but all are accessible by air or by sea. A network of harbours and a modern cargo fleet ensure the logistics for businesses and people in Greenland.

For more information about infrastructure and logistics in Greenland, please contact the The Climate and Infrastructure Agency at [ata@gh.gl](mailto:ata@gh.gl) or Greenland Tourism & Business Council at [info@inussuk.gl](mailto:info@inussuk.gl).

# LOGISTICS

As Greenland is an island, transportation by sea is necessary in most cases. Sea transport to and from Greenland is with a few exceptions covered by a concession held by the shipping company Royal Arctic Line (RAL).

The concession covers domestic sea transport as well as international traffic. Royal Arctic Line operates mainly out of Aalborg, Denmark, but offers an extended shipping service through cooperation agreements with other international shipping companies. Royal Arctic Line also handles freight forwarding along with other – mostly Danish – freight forwarding companies.

Transportation by air is possible through the Greenlandic airline company, Air Greenland. Air Greenland provides service to all the major towns in Greenland by plane, and to many of the smaller towns and settlements by helicopter.

Air Greenland also handles charter operations, and the airline's cargo service ensures transportation of all forms of general cargo as well as some special shipments – including frozen and cold storage deliveries.

More information on shipping, cargo, and charter services can be found at [www.air-greenland.com](http://www.air-greenland.com), [www.ral.gl](http://www.ral.gl), and [www.bws.dk](http://www.bws.dk) or by contacting the Greenland Tourism & Business Council at [info@inussuk.gl](mailto:info@inussuk.gl).

# SUSTAINABLE ENERGY

In recent decades Greenland has become increasingly focused on implementing the use of renewable energy into its energy supply. Greenland has a hydropower gross potential of approx. 800,000 GWh per year. 16 large potential sites for hydroelectric power stations for both consumer and industrial purposes have been pinpointed, comprising a total potential of 13,000 GWh per year.

In 1993 the first hydroelectric power plant in "Buksefjorden" near the capital Nuuk was put into service. Today Greenland has three hydroelectric power plants, one is under construction, and more is planned in the future.

It is a political objective to reduce fossil fuel imports through the increasing use of renewable energy sources, more efficient production and transmission of energy, and the promotion of cleaner energy production in general.

The most attractive industrial hydropower potentials are located along the western edge of Greenland's Ice Cap, between 62 and 68 degrees north. In this region the vast interior contains a potential for each reservoir of somewhere between 600-2500 GWh per year.

Research is carried out into ways in which Greenland can accommodate the energy needs of the power-intensive industry by supplying clean and cheap hydroelectric power. Currently it is being investigated if the potentials at Tasersiaq and Imarsuup Isua can be used to supply an aluminium smelter with clean and stable energy and further 2-3 reservoirs in particular are highly attractive: Søndre Isortup Isua and Tasersuup Isua.

Research and development within renewable energy sources are as well carried out within the area of sun, wind and geoenery. However, these potentials are not payable as yet.

Greenland's supply of fresh water also forms the basis of an ambition to investigate the potential of the hydrogen industry, and what it has to offer for the modern world and the environment.

For more information, please contact Nukissiorfiit – Greenland Power Company – at [nukissiorfiit@nukissiorfiit.gl](mailto:nukissiorfiit@nukissiorfiit.gl) or the Departement of Infrastructure and Environment at [aan@gh.gl](mailto:aan@gh.gl).

# LABOUR MARKET AND RECRUITMENT

The Greenlandic workforce is flexible and well trained, although the average level of education is lower than in northern Europe.

Greenland's central government authorizes employment from outside Greenland, differentiating between unskilled labour or qualified and skilled specialists.

The employer is responsible for obtaining a permit to employ personnel from outside Greenland. Permission to employ foreign employees is granted by the local employment office, which can also assist in finding local employees.

The Home Rule Government has initiated an effort to - at short notice - provide specially trained and skilled Greenlandic personnel suitable for assignments in major installation projects, the mining industry, etc.

This is to ensure that foreign investors and companies can benefit from the experience of the local workforce in their Greenlandic entrepreneurial and business projects. A special training and education programme will be set up in cooperation with the employing enterprise to secure the necessary level of know-how.

In order to ensure that an adequately trained workforce is present when a project in need of skilled labour begins, enterprises are advised to contact the Ministry of Labour Market at [isiin@gh.gl](mailto:isiin@gh.gl) at an early stage to ensure a coordinated effort to supply the skilled workforce required.

# VENTURE CAPITAL

## Greenland Venture A/S

Greenland Venture A/S creates more new growth companies in Greenland. The company looks for and invests in projects and companies that need venture capital to grow.

Greenland Venture A/S is a Greenland Home Rule investment company, and since 1993 the company has financed growth in companies operating in Greenland, or in companies considered to be of general interest to Greenland.

The Company invests directly, via other funds or with private investors, business angels, pension funds, banks, etc. In the beginning of 2009 the company has investments in 33 companies located in all regions of Greenland. These venture backed companies are to-day engines for growth and development in the economy of Greenland.

Greenland Venture A/S provides a broad spectrum of finance solutions for small as well as medium-sized companies – ranging from equity to loan guarantee.

In addition to this, the aim of the company is to attract other financial and institutional investors and with a joint purpose to start, finance, develop and realize projects and companies in Greenland.

As a Greenland Home Rule investment company Greenland Venture A/S is in a position to offer a high exposure to active business partners of the company and to aid observation of these partners importance to the economical development of Greenland.

Greenland Venture A/S develops interesting prospects in the field of hydro power, harbors, airports, environmental systems, roads and within the minerals and petroleum sector. The company wants to mature these prospects in collaboration with foreign investors, The Greenland Home Rule, the municipalities and the Greenlandic trades and industries.

For further information, please contact Greenland Venture A/S at [greenland@venture.gl](mailto:greenland@venture.gl) or visit [www.venture.gl](http://www.venture.gl).

**Nordatlantisk Venture A/S** (North Atlantic Venture) was established in 2006.

The venture company offers ownership – either in whole or in part – of large, well-run Greenlandic business enterprises in which capital injection via the issue of bonus shares can ensure continued development and profitability.

Investments are introduced under Dansk O.T.C. ([www.danskotc.dk](http://www.danskotc.dk)), thus building up a trade platform for Greenlandic shares and the injection of further capital to the companies.

The venture company contributes via ownership with liable, patient capital and great management experience for use primarily on the board of directors.

For further information, please contact Nordatlantisk Venture A/S at [nordvent@greenet.gl](mailto:nordvent@greenet.gl) or [www.nordatlantiskventure.dk](http://www.nordatlantiskventure.dk).

# CREATIVE INDUSTRY AND HANDICRAFTS

Greenland is a nation of creative people. A large proportion of the Greenlandic population is engaged in professional creative projects and enterprises reaching from personally crafted handicraft artwork to international or indigenous music to million dollar animation projects.

Greenlandic handicraft is more than mere souvenirs. Handicraft art products are made from nature's own materials such as stones and gems, driftwood, antlers, bones and teeth of the wild animals of the Arctic.

Whether created for decoration or for traditional magic handicraft art of Greenland has exciting stories to tell and each piece is unique in material, form and colour. Exhibitions of Greenlandic art are shipped and sold worldwide. For more information please contact [webmarketing@kni.gl](mailto:webmarketing@kni.gl).

For more information about Greenlandic handicraft exhibitions and artists please contact [thue@thue-art.dk](mailto:thue@thue-art.dk).

The Greenlandic scenery of beautiful landscapes, unique culture, a strong tradition for story-telling, and a forthcoming and creative nation of people makes for an optimal frame for a development of the creative industries. Combining the artistic profession with the industry products provides the tourist with a unique experience entailing the use of all senses.

From experiencing the products and daily life of the sheep holder, having coffee in a Greenlandic home, collecting and playing with the different kind of ice while boating in an ice fjord, to the experience of traditional dancing with drums in a small village, Greenland offers a bountiful variety of unique experiences and products.

For more information please contact Greenland Tourism & Business Council at [info@inusoq.gl](mailto:info@inusoq.gl).

Greenland also enjoys a vivid musical culture, and ranges from the traditional, beautiful Greenlandic choirs to the modern music stages of rock, pop and hip-hop. To learn more about what Greenland has to offer international listeners please go to [www.atlanticmusicshop.gl](http://www.atlanticmusicshop.gl).

Greenland has also set the stage for several internationally renowned motion pictures. The adventures of the traditional Inuit culture have also inspired animation moviemakers in making the first large-scale animation movie catering to the international animation movie audience - both young and old. The contrasts of Greenland's nature and environment - from the idyllic to the dramatic - also set an impressive stage for commercials and TV-ads with a need for spectacular settings.

For more information please contact Greenland Tourism & Business Council at [info@inusoq.gl](mailto:info@inusoq.gl).

# TAXATION

## Private

Persons regarded as residents in Greenland are fully liable to pay tax in Greenland on their global income. Income tax is a flat rate tax between 37%-46% depending on which municipality the person concerned is registered in.

A person present in Greenland for a period of less than six months will be liable to pay income tax when receiving remuneration of any kind from an employment exercised in Greenland, unless the employment is exercised during a stay not exceeding a continuous period of sixty days and the individual concerned is still employed by an employer who is not resident in Greenland. The taxation area is currently undergoing revision.

For updated information, please contact the Department of Taxation at [tax@gh.gl](mailto:tax@gh.gl).

## Corporation tax

Basic principles of corporation tax:

Corporation tax is levied at a flat rate of 31,8% and the rate applies to a resident company as well as a registered branch office of a foreign company. Neither a resident company nor a registered branch office is subject to capital tax. Capital gains subject to taxation are taxed at the same rate as the rate applying to taxable income from business operations.

## Calculation of taxable income

Taxable income is determined on the basis of the result shown in the statutory financial statements, adjusted to comply with the prevailing tax provisions. The tax provisions listed below are those most commonly applied in determining the taxable income of a company or a registered branch office.

## Tax depreciation and amortization

The permissible rate and method of depreciation/ amortization for tax purposes depends on the asset group being depreciated/ amortized.

## Groups of depreciation and amortization

Tax depreciation and amortization can be allocated into three groups: Buildings and related installations are depreciable at a maximum rate of 5% per year calculated on the basis of the acquisition price.

Aircraft and vessels are depreciable at a maximum rate of 10% per year calculated on the basis of the acquisition price.

All other items, such as machinery, equipment, intangible assets, etc., are depreciated collectively as if they were single composite assets using the pooled declining balance method at a maximum rate of 30% per year.

Special rules apply to leased assets. The sale of assets within this group leads to the remaining balance being reduced by the sales price of the assets sold. All assets with a value of less than DKK 100,000 are depreciable/amortizable in the year of acquisition.

## **Amortization of gains**

If, on the sale of buildings, vessels and aircrafts, a taxable gain is achieved, the taxpayer may perform a special amortization/ depreciation corresponding to the calculated gain. This amortization may freely be deducted from the balance in one of the three said amortization/depreciation groups, provided, however, that the remaining balance on the group remains positive or DKK zero.

## **Profit amortization**

If the taxpayer has calculated a tax profit, it is possible to make a further tax amortization of 50% of the profit. The amortization may freely be deducted from the balance in one of the three said amortization/ depreciation groups, provided, however, that the remaining balance of the group remains positive or DKK zero.

Companies with utilization permits under the Mineral Resources Act may in very special circumstances in connection with determination of production costs, etc., obtain exemption from taxation of the activities comprised by the permit.

For further information, please visit [www.nanoq.gl/english/taxation\\_and\\_duties\\_in\\_greenland.aspx](http://www.nanoq.gl/english/taxation_and_duties_in_greenland.aspx) or contact the Department of Taxation at [tax@gh.gl](mailto:tax@gh.gl).

# CONDUCTING AND SETTING UP A BUSINESS

## Conducting business

Conducting business in Greenland is regulated by different acts depending on the type of company and the business sector. In the following the most basic advice is presented. For more in-depth information regarding setting up a business and conducting operations, it is recommended that legal advice is sought. For in-depth information, please contact Deloitte at [nuuk@deloitte.dk](mailto:nuuk@deloitte.dk).

## Setting up a business

Greenland has interesting business opportunities for international enterprises – whether dealing in food products, minerals, oil, tourism or biotechnology.

The opportunities are increasing all the time and taking part in this development could prove very beneficial to both the international and Greenlandic business communities. Gaining easier access to Greenland's resources and the Greenlandic market necessitates setting up a company in Greenland or at least establishing solid contacts with the Greenlandic business community.

The Greenlandic business community is also open for joint venture operations with foreign companies.

For more information regarding the investment potential in Greenland, please contact Greenland Venture at [greenland@venture.gl](mailto:greenland@venture.gl) or Greenland Tourism & Business Council at [info@inussuk.gl](mailto:info@inussuk.gl).

## Types of business enterprises

Business in Greenland may be operated under any of the following legal forms: Public limited company (aktieselskab or A/S), Branch office (filial), Private limited company (anpartsselskab or ApS), General partnership (interessentselskab or I/S), Limited partnership (kommanditselskab), Limited partnership company (kommanditaktieselskab), Co-operative society (andelsforening a.m.b.a.), Foundation (fond), Sole proprietorship (personligt drevet virksomhed).

There are acts regarding certain common types of companies. The Public Limited Companies Act and the Private Limited Companies Act are two central acts, but generally there is a high degree of freedom in the choice of the legal form under which business can be conducted in Greenland. For further information regarding the specific regulations regarding the specific company forms it is recommended that legal advice is sought.

## Establishment procedure

A foreign investor who intends to set up a subsidiary in Greenland may either found a new company or purchase the shares in a shelf company.

## **Founding of a company**

A memorandum of association must be prepared and signed by the founders. The memorandum of association must contain a draft of the articles of association.

The draft of the articles of association must include information about the name of the company, the location of the registered office, the objectives of the company, the share capital, the Supervisory Board, the general meeting, auditors and the company's financial year.

The articles can be amended subsequently if desired, but the shareholders must authorize the amendments at a general meeting.

Furthermore, the memorandum of association must contain information about the names and addresses of the founders, the subscription price of the shares and the deadline for subscription and paying in subscribed capital.

The formal decision to found the company is made at a first general meeting of the shareholders. When the foundation has been adopted, the shareholders adopt the articles of association and elect the members of the Supervisory Board and the auditor. The Supervisory Board is obliged to register the company with the Danish Commerce and Companies Agency within six months (two months in the case of an ApS) from the date on which the memorandum of association was signed.

A company in the process of incorporation, i.e. a company that has not yet been registered, is not considered to be an independent entity, i.e. the founders are personally liable for the activities of the company. The company comes into existence legally once it is registered. Upon registration, the company will take over all liabilities and obligations related to activities carried out from its foundation until registration.

Obtaining an operational company within the space of a week by using a shelf company can also easily be arranged.

## **Registration requirement**

Public limited companies, private limited companies and branch offices of foreign corporations must register with the Danish Commerce and Companies Agency.

All companies established in Greenland must register with the Greenland Business Register (Grønlands Erhvervsregister – GER).

Find more information about the GER at [www.ger.gl](http://www.ger.gl) or mail to [ger@gh.gl](mailto:ger@gh.gl).

## **Residency requirements**

In order to trade and conduct business within Greenland a trading licence must be obtained from the Home Rule government administration.

Greenland's Trade Act (2001) states that persons who wish to obtain a trading licence must possess Danish citizenship or have a work permit for Greenland and be resident in Greenland, unless an international agreement valid for Greenland states otherwise or Greenland's Home Rule grants a waiver. Citizens of Denmark and other Nordic countries do not need a work and residence permit.

Companies may obtain a trading licence if they are registered in Greenland and if the management resides in Greenland. Branches of foreign companies in Greenland may obtain a trading licence if an international agreement valid for Greenland states as such, or if Greenland's Home Rule grants a trading licence.

The management of the branch in Greenland must separately fulfil the trading licence requirements applied to persons. In the case of public and private limited companies, half of the company's actual management must reside in Greenland.

For further information, please go to [www.greenlandexpo.com](http://www.greenlandexpo.com) or contact Greenland Tourism & Business Council at [info@inussuk.gl](mailto:info@inussuk.gl) or the Ministry of Industry at [isiin@gh.gl](mailto:isiin@gh.gl).

# CONSULTATION AND ADVICE

In addition to consulting architects and engineers there are law firms, banks and accountants present in Greenland offering expertise concerning Greenlandic business conditions.

There are also consulting firms, business-related associations, business councils and venture companies in Greenland which can offer assistance with links to relevant organizations, setting up businesses, organizations and human resources, investment proposals for external investors, etc.

For further information, please contact Greenland Tourism & Business Council at [info@inussuk.gl](mailto:info@inussuk.gl) or the Ministry of Industry at [isiin@gh.gl](mailto:isiin@gh.gl).

# EXPORT – IMPORT

Greenland has an open economy allowing a lot of goods to pass in and out of the country.

Greenland is highly dependent on outside supplies and although there is a relatively large export of fish products, many other daily necessities of a modern society need to be imported.

The export of goods to Greenland must observe the relevant rules and tariffs covering imported goods to Greenland. For information regarding import controls and customs duties, please contact the Department of Taxation at [tax@gh.gl](mailto:tax@gh.gl).

The export of goods from Greenland is not permitted without previously obtaining an export licence. An export licence can be obtained from the Ministry of Industry at [isiin@gh.gl](mailto:isiin@gh.gl).

# BUSINESS ETIQUETTE

The business languages are Greenlandic and Danish, but the younger generation, business management and the government sector also communicate in English. The tone is very informal, and the use of first names is generally preferred. Clothing is relaxed except on formal occasions.

Some, especially larger, organisations and companies in the financial sector are more aligned with international etiquette standards. Etiquette is generally more relaxed in public organisations (Home Rule Government, municipalities, and institutions). Restaurant visits are used to get acquainted, rarely to continue meetings.

The party that extends the dinner invitation is expected to pay the bill. Greenlanders take great pride in their high quality seafood and meats, and most restaurants stock a good selection. Newcomers to Greenland are sometimes invited to try out special delicacies.

Important holidays are Christmas, New Year, Easter and the National Day, June 21st. Businesses do not generally close down during the summer holiday, but July and early August make up the primary holiday season.

# PRACTICAL INFORMATION

## Area and geographical features

Greenland is located west of Iceland and east of Canada's North West Territories and Nunavut between the Arctic Ocean and the North Atlantic Ocean. It is the largest non-continental island in the world and covers an area of 2,166,086 square kilometers (836,330 square miles). Along the coast, about 400,000 square kilometers (155,000 square miles) is free of ice.

The rest, approximately 85% of the total area, is covered with huge masses of inland ice, rising from well below sea level to a height of 3,000 meters (9,850 feet). The time zone of the west coast, where most of the population is concentrated, is GMT -3 (day-light saving follows the EU standard).

## Maps

For the most updated maps of Greenland and its cities are available on the national web GIS portal NunaGIS at [www.nunagis.gl](http://www.nunagis.gl). The city maps are also available on Google Earth.

## Population

Greenland's population totals around 57,000. The vast majority (47,000) live in towns, whereas the remainder live in small settlements on the east and, in particular, the west coast. Nuuk, the capital, has around 15,000 inhabitants.

The following four cities - Sisimiut, Ilulissat, Maniitsoq and Qaqortoq - account for more than 18,000 inhabitants.

## Politics

Until 1979 Greenland was part of the Kingdom of Denmark and the country's legislation came under the auspices of the Danish parliament (Folketing). In 1979 Greenland Home Rule was introduced, which gave the country a partial degree of autonomy.

Elections are held every 4 years in which 31 members are elected to Greenland's Parliament, Landstinget. At present five political parties are represented in parliament.

The country is governed by a prime minister (Landsstyreformand) and 7 ministers (Landsstyremedlemmer). The parliament meets two or three times a year. In spite of major structural changes Greenland is regarded internationally as a politically very stable society.

## Climate

Greenland has an Arctic climate, but due to the vast size of the country the climate varies greatly from north to south. Generally speaking, the further north you go, the colder, drier and less windy it becomes. During summer, the average temperature in the coastal region does not exceed 10 degrees Celsius (50 degrees Fahrenheit). In the wintertime the temperatures can drop to -30 degrees C (-22 degrees F) in North Greenland and the interior. On the coast in southwest Greenland it rarely gets colder than -15 degrees C (5 degrees F).

## **Hotels**

Greenland has hotels in all categories, and hotels can be found in every town. Greenland Tourism, the national tourist board, provides a list of hotels at [www.greenland.com](http://www.greenland.com).

## **Communication**

GSM mobile telephones with SMS and MMS function can be used in practically all inhabited areas of Greenland. Several hotels and airports offer wireless connections and the majority of towns have Internet cafés or other ways of checking e-mail.

## **Foreign currency**

The currency in Greenland is Danish kroner. Euro-cheques can be cashed at banks, which will also exchange common currencies and traveller's cheques. Postal cheques can be cashed at all post offices. Credit cards are accepted in most towns and hotels. These cards are valid at banks or ATM's, although we advise you to carry some cash as not all shops accept foreign credit cards: VISA, VISA PLUS-card, VISA Electron, Eurocheque-card, Eurocard/Mastercard.

## **Electricity**

Like continental Europe, Greenland has a 230 Volt mains supply.

## **Getting there and getting around**

At present there are three airports connecting Greenland with Europe via Copenhagen (Denmark) and Keflavik (Iceland).

There are currently 5-10 weekly connections from Copenhagen to Kangerlussuaq and Narsarsuaq operated by Air Greenland and 3 weekly connections from Keflavik, Iceland to Kulusuk, East Greenland, operated by Air Iceland.

The long distances and the Arctic climate constitute a natural obstacle to land-based transportation. Therefore no roads or railways exist between towns and settlements, but all are reachable by air and sea. The network of harbours and a modern cargo fleet ensure reliable logistics for travelers and for the movement of goods.

## **Health system**

Hospitals and dental clinics are found in most towns. Emergency treatment is free. You are advised to bring your own prescription medicine with you on your trip. Travel health insurance is recommended. No vaccines are required for travelling in Greenland.

## **Religion**

The Greenland Church is part of the Danish Protestant Church. Churches are found in all towns, although smaller buildings may be used in smaller communities. The local Greenlandic language is used.

## **National Day**

Greenland's National Day is June 21 and is called "Ullortuneq", which means the longest day of the year. It is also the official Flag Day, so in addition to festivities you will see the striking flag with the red half circle flying proudly everywhere.

# STATISTICS GREENLAND

Established in 1989 as an independent unit in the Greenlandic Home Rule Government, Statistics Greenland is the authority on the collection, production and publishing of statistics about Greenland.

Based in the new University and Research Centre, Ilimmarfik, Statistics Greenland produces a wide range of statistics within the two main areas: Demography/social stats and statistics related to economy and trade. Statistics Greenland is the main source of key figures on areas such as population/demography, foreign trade, prices, income, trade and business, tourism and many other sources of knowledge about the Greenlandic society as a whole.

Statistics Greenland publishes all its products on the official website [www.stat.gl](http://www.stat.gl) in pdf-format publications and in Statbank Greenland, a database that enables users to create their own tables using free data from all publications published by Statistics Greenland. Explore [www.stat.gl](http://www.stat.gl) and/or contact Statistics Greenland at [stat@gh.gl](mailto:stat@gh.gl).

# GREENLAND STAMPS

Greenland has been issuing its own stamps since 1938. It is POST Greenland's aim to depict the real Greenland on stamps whenever new stamps are issued. Moreover, POST Greenland's stamps often mark important events in Greenlandic culture and history, as well as reflect the vast abundance of Greenland's world-famous ice sheet, the snow, the flora, the fauna, and its people.

Today, POST Greenland issues 18 to 21 stamps a year. Many different stamps series and themes have been issued over the years, such as a flower series, a butterfly series, a viking series, a whale series, a cultural heritage series, two ships series, as well as the very popular ongoing expedition series, a joint issue project with other postal administrations from countries that have participated in Greenland expeditions.



Also, important anniversaries in Greenland are often commemorated with a stamp. Once a year POST Greenland issues a charity stamp with an additional value for a good cause, e.g. Amnesty International, Save The Children Foundation, Anti-tuberculosis work, etc.

The definitive stamps bear portraits of the ruling sovereign, since 1972 Queen Margrethe II. The other form of stamps, commemoratives, are the above-mentioned series dealing with different events or topics reflecting Greenland's unique culture, history, flora and fauna.

For Christmas POST Greenland traditionally issues two Christmas stamps featuring typical Greenlandic Christmas designs.

Please log on to Post Greenland's website [www.stamps.gl](http://www.stamps.gl), or email [stamps@tele.gl](mailto:stamps@tele.gl).

