

WORLD TRADE ORGANIZATION

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Working Party on Professional Services

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COMMUNICATION FROM NORWAY

Response to the questionnaire on the accountancy sector

The following communication is circulated at the request of Norway.

I. GENERAL

1. *What are the professional titles of accountants in your country? Are these professional titles protected? Please specify how.*

Book-keeper

«Autorisert regnskapsfører», «Autorisert regnskapsførerselskap, -lag»
Protected by law.

Auditor

«Registrert revisor» RR, «Statsautorisert revisor» SR.
Protected by law.

2. *How is the accountancy sector regulated in your country: by law, professional self-regulation, a combination of both?*

Book-keeper

Regulated by law.

Auditor

Combination of both.

3. *Are there any provisions to protect company names, whether national or foreign, in your country?*

Book-keeper

«Firmaloven»

Auditor

«Firmaloven»

4. *What are the professional bodies in your country? Are they recognised by law as a regulatory or disciplinary body for the accountancy profession in your country, or are these functions fulfilled by other institutions (please specify)?*

Book-keeper

«Norges Autoriserte Regnskapsføreres Forening» NARF.

No regulatory or disciplinary authority.

The Banking, Insurance and Securities Commission of Norway (BISC) have supervisory authority.

Auditor

«Norges Registrerte Revisorers Forening» NRRF, «Norges Statsautoriserte Revisorers Forening» NSRF.

Standards from these organizations have great juridical influence.

BISC have supervisory authority.

5. *How many members do these professional bodies have? What is the estimated proportion of those:*

Book-keeper

NARF has 1'700 members.

No proportions are available.

Auditor

NRRF has 1'200 members. NSRF has 1'500 members.

No proportions are available.

6. *What is the scope of activities regularly practised by accountants in your country?*

Book-keeper

Accounting, consulting, expert witness in accounting.

Auditor

Statutory audit, audit of mergers, audit of contributions in kind, other audits, accounting, insolvency practice, tax advice, tax representation, investment advice, consulting, expert witness in accounting.

7. *Which of these activities are regulated in your country?*

Book-keeper

Statutory audit, audit of mergers, audit of contributions in kind, accounting, public sector.

Auditor

Statutory audit, audit of mergers, audit of contributions in kind, accounting, public sector.

8. *Which of these activities are reserved by law to accountants, shared by accountants with other professions (please specify), or even forbidden to accountants in your country, e.g. by full prohibition or by not allowing cumulation of certain activities which are considered incompatible or mutually exclusive?*

Book-keeper

Statutory audit:	forbidden
Audit of mergers:	forbidden
Audit of contributions in kind:	forbidden
Accounting:	shared by others
Public sector:	forbidden

Auditor

Statutory audit:	reserved RR and SR
Audit of mergers:	reserved RR and SR
Audit of contributions in kind:	reserved RR and SR
Accounting:	shared by others, but not accounting and auditing for the same company.
Public sector:	forbidden

II. QUALIFICATION REQUIREMENTS

9. *What are the qualification requirements for these activities in your country in terms of university/higher education degree, practice and professional exam? Specify the number of years required for each element, and the differences according to the activities (audit, insolvency, tax, etc.) covered by the qualification.*

Book-keeper

University level, minimum 40 Norwegian credits.

Auditor

RR:	University level - 3 years auditing education. Passed the final auditing exam. 2 years of relevant practice.
SR:	University level - ca. 5 years. Passed «høyere revisor eksamen». (Final exam). Minimum 2 years of practice.

10. *Are there any pre-conditions to meet to start the professional education: minimum age, particular diploma or title, prior education, registration with a professional body, payment of a fee, other (please specify)?*

Book-keeper

Passed «High School»

Auditor

RR:	passed «High School»
SR:	auditing exam, passed bachelor (siviløkonom) exam, economist exam or juridical exam.

11. *What are the subjects to be covered by the education: accounting, audit, tax, general law, economics, ethics, information technology, other (please specify)?*

Book-keeper

Accounting, tax law, general law, managerial economics.

Auditor

Accounting, tax law, general law, managerial economics, auditing.

III. TECHNICAL STANDARDS AND ETHICS

12. *In relation to which activities do national standards exist (audit, accounting, insolvency, other)? Please specify their main policy objectives.*

Book-keeper

No standards.

Auditor

Auditing standards, accounting standards for financial statement.

13. *Which body or institution develops these standards and monitors their implementation? What are the consequences of a breach of the standards (for the professional, for clients, etc.)?*

Auditor

NSRF issues auditing standards. BISC monitors their implementation. The consequences for a breach of the standards are in worst case loss of their license. The breach of accounting standards by the client may lead to that the auditor refuse to file the audit report.

14. *Are the international standards developed by IFAC (International Education Standards and Guidelines, International Standards on Auditing) and IASC (International Accounting Standards) recognised or used in your country? If yes, please explain how. If no, please explain why.*

Auditor

NSRF will implement IFAC standards. Law and standard setting bodies in Norway do consider IASC standards.

15. *In relation to which activities does a particular ethical code exist (audit, accounting, insolvency, other)? Please specify its main policy objectives.*

Book-keeper

No ethical code exist.

Auditor

There are rules concerning auditors. They concern the independence of auditors, auditors relationship to clients, auditors relationship to other auditors and auditors relationship to public.

16. *Which body or institution develops this code and monitors its implementation? What are the consequences in case of breach of the ethical code by a professional or a firm?*

Auditor

NSRF and NRRF have developed and monitor this code. A breach of the ethical code may lead to that the auditor loses the membership in NSRF or NRRF.

17. *Are there restrictions on marketing, solicitation, advertising?*

Book-keeper

No.

Auditor

No.

18. *Are there restrictions on fee-setting (minimum/maximum levels imposed, indicative scale, etc.)?*

Book-keeper

No.

Auditor

No.

IV. LICENSING REQUIREMENTS AND PROCEDURES

19. *Apart from the qualification requirements, what are the licensing requirements for individuals in your country?*

Book-keeper

Registration with the ministry of finance. Economic independence.

Auditor

Registration with the BISC. Absence of any relevant criminal record. Minimum age of 20 years. Economic independence.

20. *Are there any conditions imposed to be eligible for membership of the relevant professional body(ies)? Please specify.*

Auditor

NRRF requires that they have passed auditor exam. NSRF requires that they are "Statsautorisert revisor".

21. *Are there specific licensing requirements for professional firms?*

Book-keeper

The firm is obligated to have a "autorisert regnskapsfører" as professional leader.

Auditor

An unlimited company is obligated to have a majority of SR to be recognized as SR. In other companies there need to be a majority in the general assembly and in the Board. Likewise for a company to be recognized as a RR, except that SR counts in the majority criteria. The companies need to be registered with the BISC. The companies are obligated to have a natural person carrying out auditing on behalf of the firm.

22. *Can an application for licensing be filed at any time of the year or are there specific dates to respect? How long does it take to complete the whole licensing procedure? Please specify in case of differences between individuals and firms.*

Book-keeper

An application for licensing can be filed at any time. No current record of completion time for licensing procedure.

Auditor

An application for licensing can be filed at any time. The licensing procedure takes about 3 weeks.

23. *Are there differences in terms of licensing requirements and/or procedures, according to the activities covered by the licence (audit, insolvency, etc.)? Please specify. What kind of documentation is necessary/accepted? Are documents issued in other countries acceptable? Please specify.*

Book-keeper

No differences in licensing requirements according to the activities.

Auditor

No differences in licensing requirements according to the activities.

24. *What happens when the licensing conditions are no longer respected by the individual or the firm?*

Book-keeper

The individual or the firm loses their license.

Auditor

The individual or the firm loses their license.

V. RECOGNITION OF QUALIFICATIONS

25. *Are there any possibilities for taking account of qualifications acquired by foreign professionals in another country? Are there bilateral agreements with other countries in this respect?*

Book-keeper

Not regulated. There are no bilateral agreements.

Auditor

Parts of the education can be accepted taken abroad. There are no bilateral agreements.

26. *Are there any automatic recognition or mutual recognition agreements between your professional bodies and their counterparts in other countries? If so, please specify the main characteristics of such agreements; if not, please explain why.*

Book-keeper

No.

Auditor

No.

27. *Where possibilities of taking account of foreign qualifications exist, is a full local examination or a local training exceeding 12 months required? Please specify. Is a local licence always necessary to practice a regulated accountancy activity? Please specify when this is not the case.*

Book-keeper

No.

Auditor

No.

28. *What are the accreditation/licensing requirements imposed on foreign professionals authorised to practice in their home country? May certain (regulated) activities be carried out on the basis of a foreign licence?*

Auditor

Foreign professionals need to take an exam. There are no requirements of local training.

VI. REGULATIONS GOVERNING THE ESTABLISHMENT OF A COMMERCIAL PRESENCE

29. *Are there any restrictions on the form under which one can establish (partnership, incorporation, other)? Please specify.*

Book-keeper

No.

Auditor

No.

30. *Are there restrictions on foreign direct investment and ownership, including restrictions applying to not locally qualified individuals or firms? Please specify.*

Book-keeper

Not regulated.

Auditor

See response to question no. 21.

31. *Is there a requirement of a minimum number or percentage of local directors, managers or staff (please specify)?*

Book-keeper

Not regulated.

Auditor

See response to question no. 21.

32. *Are there restrictions on the ability of locally established firms to develop international relations (membership of an international network, association with foreign firms, etc.)? Please specify.*

Book-keeper

No.

Auditor

No.

33. *Is the use of international or foreign names restricted for firms?*

Book-keeper

No.

Auditor

No.

VII. REGULATIONS GOVERNING THE ENTRY AND TEMPORARY STAY OF NATURAL PERSONS FOR THE PURPOSE OF SUPPLYING ACCOUNTANCY SERVICES

34. *Is the entry and stay of professionals subject to labour market tests or any other restrictions? Please specify.*

Book-keeper

No specific requirements for this profession.

Auditor

No specific requirements for this profession.

35. *Is there any procedure facilitating the temporary entry and stay of professionals to supply accountancy services? Please explain.*

Book-keeper

No.

Auditor

No.

36. *Are there any restrictions on hiring of local professionals by foreign firms and professionals? Please explain.*

Book-keeper

No.

Auditor

No.

VIII. NATIONALITY/RESIDENCY REQUIREMENTS

37. *Is a condition of nationality/citizenship imposed to practice certain activities, to start an education, to obtain a licence, to become member of a professional body, etc.? Please specify.*

Book-keeper

No.

Auditor

No.

38. *Is a condition of establishment, prior residency or residency imposed to practice certain activities, to obtain a licence, to become member of a professional body, etc.? Please specify the conditions and the definition of establishment, residency, etc. when relevant. Is it possible to have a professional establishment in more than one country?*

Book-keeper

Yes, residency.

Auditor

Yes, residency.