

## APPLIED INFORMATION SERVICE

### INTRODUCTION

The respect of human and labour rights, environment protecting and the using of environmentally friendly technologies are the basic principles of *Applied Information Service's* day-to-day work and the key of organisation's success and progress.

We don't live in separate worlds, and so do not work enterprises – all by themselves. This is a process that influences the surrounding society and environment in Latvia and all around the world directly and indirectly, in a qualitative and quantitative way.

Responsible and active – Latvian entrepreneur creates a positive alteration around himself. Therefore *Applied Information Service* with great satisfaction engaged in the *Global Compact* on June 18, 2002.

We present for *Global Compact Learning Forum* our project – **KAPITALS International Business Forum**. It was opened in 2000 with the overall aim to facilitate the dialog about significant themes (labour rights, different kind of taxes, corruption, off-stage discrimination etc.) among Latvian entrepreneurs, state administrators and society. The theme of International Business Forum changes every year to emphasise and highlight the most important question and sore subject of a year.

Forum is significant of its large-scale and is the only one activity of that kind in Latvia. There participate Latvian entrepreneurs, representatives from state institutions and guests from abroad. It is formed up as a platform of discussions, of constructive suggestions and solutions, as well as a platform of exchange of experience and foundation of professional contacts. Forum is headlined in all state and regional mass media. Through forum and mass media *Applied Information Service* invites entrepreneurs as well as all society to think together about highlighted nine principles of *Global Compact* that should be noticed by each entrepreneur.

## *APPLIED INFORMATION SERVICE*

*Applied Information Service* is a leading publisher of normative document' collections in Latvia, publisher of magazines *Kapitals*<sup>1</sup> and *Bilance*<sup>2</sup>. As well it is a book publisher about different kind of taxes and their adaptation into praxis. Publishing house has reached high quality of products and it favours the classification of normative documents.

Priorities of *Applied Information Service* from its foundation have been ranged in a given order: *stability, quality* and only then *profit*. From its origin organisation has worked stable – referring to our clients and to our employees. There hasn't been a situation of discrimination in personal practice or hold-up of pay-down.

Now our clients are government and state organisations as well as banks and private enterprises all around Latvia.

At the moment in a publishing house there work more than 80 employees. *Applied Information Service* strongly stands for observation labour rights. It ensures safe and healthy working conditions, promotes employees to educate themselves or purchase a qualification.

Besides, publishing house organises seminars for accountants and Business Forum and as well is one of the biggest supporters of charity projects for children.

## *KAPITALS INTERNATIONAL BUSINESS FORUM*

First *Kapitals International Business Forum* started in November 2000 with a theme ***Woman in Entrepreneurship***. The aim of it was to chore-up how do feel woman in a business world. One of its objectives was to stimulate with a help of mass media those women who didn't participate into Forum but were aware of themselves and were brave to consider the possibility to start their own business. Businesswomen and leaders of organisations from Lithuania, Estonia and Sweden as well as Mr. V. Kulbergs, president of Latvian Chamber of Commerce and Industry and Mr. A. Knöble, representative of International Monetary Fund in Latvia and Estonia shared with their experience too.

There isn't plain discrimination of women in Latvia. In spite of that women should prove themselves as equivalent business partners, overstepping stereotype cultivated for centuries that the right place for women are near the kitchen-range or changing traditional notion that

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<sup>1</sup> *Kapitals* – objective and analytical information for every economically active person.

<sup>2</sup> *Bilance* – information, suggestions and analyses for finance managers and accountants.

women aren't capable to make important decisions, and are good entrepreneurs only in a charity sphere.

The forum proved that women can be good leaders and are capable to make important decisions working in state or private sector. The president of Latvia Ms. Vaira Vīķe-Freiberga is the best evidence of that, who showed her brilliant ability leading the state. There are many other samples in a private sector where businesswoman has developed successful business and manage organisations.

One of the Forum's corollaries was – Latvian women need one professional businesswomen association as it is in Estonia. That kind of association could further implication of women in economics and business. As a result - a bit later Latvian Business and Professional Women Association was founded.

Kapitals International Business Forum of 2001 was devoted to ***Taxation Policy in Entrepreneurship***. Although there are passed more than ten years Latvia is an independent country, unarranged tax policy is its weakest point. That doesn't let entrepreneurs to work more productive and dutiful and is a cause of poor relationship between entrepreneurs and employees, as well it makes unequal competition' conditions between organisations.

There were drawn up following questions:

- “Salary payment in envelopes” – there are many entrepreneurs who don't pay taxes for their employees. So they tear out the possibility for their employees to receive state and social guarantees. During Forum there were discussed constructive solutions how to struggle with accrued situation. In debates participated the representatives of correspondent state institutions.
- The need of new tax encash system - thanks to unarranged tax policy there are entrepreneurs who avoid paying taxes and destabilising economy in Latvia.
- Equal competition in European Union – as Latvia is going to join EU Latvian entrepreneurs are interested about upcoming alteration into tax policy. Our entrepreneurs are looking forward the small EU countries' (Finland, Ireland) experience and clear up advantages and disadvantages they are facing with.

Representatives from Estonia, Ireland, Russia, Lithuania, Finland and Germany participated at the Forum with their experience and presented solution models for our situation.

The interest about different aspects of tax policy was so vast that *Applied Information Service* started to prepare extra seminars to inform and discuss about innovations and recensions in tax policy not only in a capital city but also in the biggest cities of the regions in Latvia.

This year International Business Forum *Opportunities for Latvia's Entrepreneurs in the European Union* highlighted the most important step for Latvia – participation in EU. Although there are lots of information, different kind of material and discussions for and against EU, there are still lots of question what embarrass Latvian entrepreneurs.

Forum gave insight about chances, economic environment, and forecasts of gains and losses. How will these obstacles influence Latvia's internal cohesion, in order to balance the regional development, and, external cohesion, in order to get closer to EU standards? What will be the future of small and medium enterprises in this new business environment?

There stood Austria, Ireland, Greece, Sweden and Netherlands in good stead and participants were very interested in their experience and opinion as well there were interest about Estonian and Hungarian way of preparing for joining EU.

There should be mentioned that every year the number of participants grow, enchaining not only the attention of entrepreneurs but also politicians, diplomats, clerks, students and processors from higher education establishments.

### *A MODEL TO LEARN*

We can say with a pride that thanks to the Kapitals International Business Forum and the invaluable co-operation with the mass media, small and medium entrepreneurs have started to be much more observable. The discussions and the actualisation of highlighted themes have lead to reduce to order the normative document, to improve relationship between entrepreneurs and employees and overrate our attitude to environment and the society around us.

Of course, Forums doesn't solve the problem but it is a platform to start at – to try to find out possibilities for a dialog with the state administrators and other entrepreneurs and to exchange experience with colleagues from the other countries, to make contacts with them.

*Applied Information Service* will continue to organise International Business Forum and will appeal for other business organisations to be active and support charity.