



Regional seminar on aquaculture for Embassies, Norad and fisheries advisors

Bangkok, 16 - 17 January 2013

Sigrídur Thormódsdóttir, Senior Advisor, Seafood Sector
Ole Johan Sandvær, Regional Director

We give local ideas global opportunities

Agenda

The Norwegian marine suppliers and market opportunities in Asia

by Sigridur Thormodsdottir

The role of Innovation Norway

by Ole Johan Sandvær

- Mapping of market opportunities in Asia for Norwegian suppliers of sustainable marine solutions: technology and services for fisheries and aquaculture
- Mapping of the marine supply industry in Norway



Raised awareness and interests

- Reports on the importance and opportunities
 - “Ripple effect in form of GDP from both aquaculture and fisheries is NOK 18.4 bill. in Norway 2010”
 - “The export of technology, services and competence is expected to raise from currently 10% of the total value of seafood exports to 25% in 2050”
- Requests from offices abroad and officials
- Promote the Asian markets potential towards Norwegian companies
- “Hard to find”

Why should Norway contribute to growth in Asia ?

- The supply sector is one of the main drivers for innovation in the Norwegian seafood sector
- Don't forget that we can learn from others
- International competitive supply sector = competitive seafood sector
- Reputation building

The Studies

In Asia

- Two-step study giving an overview of the marine sector and the main challenges in order to identify where the Norwegian suppliers can contribute to sustainable development and economical growth
- 10 countries: Japan, Korea, China, Vietnam, Indonesia, Thailand, Philippines, Bangladesh, Malaysia and India

In Norway

- Mapping and grouping of the Norwegian suppliers

Some highlights from the Asian study

- No “one size fits all”
- General challenges; In order for the sector to contribute to economical growth and welfare in a sustainable way
 - Resource Management and regulative framework
 - Modernization and industrialization of the seafood sector
 - Underdeveloped value chain, - from “farm to fork”
 - Lack of competent management and workforce

Some highlights from the Asian study

Value chain of fisheries

- Sustainable developing of coastal fisheries

Value chain of aquaculture

- Sustainable cage farming
- Breeding, feeding and fish health

Value chain of processing

- Freezing and facilities
- Logistic

Characteristics of Norwegian suppliers

- The marine supplier sector is fragmented
- On average small companies, lacking capacity and market competence
- The value chain of fisheries
 - The maritime sector is strong with long tradition for export
 - The suppliers are usually bigger than their customers
 - Mostly specifically supplying to the fisheries with custom made solutions

Characteristics of suppliers ... cont.

The value chain of aquaculture

- The big ones mostly supplying the aquaculture sector
- They are smaller than the buyers
- Small margins

The value chain of processing

- Dominated by secondary suppliers
- Not so many Norwegian suppliers

The suppliers of competence

- «not so good to capitalize on knowledge»
- Not innovative in creating business models for competence

Overall conclusions

Yes - there are opportunities in Asia

Yes - there is relevant technology and competence in Norway

The challenges for the Norwegian suppliers are:

- How to “package” this for the Asian market
- Lack of capacity and competence
- Identify the right countries and partners
- Funding

- Coordination of the Norwegian supply sector together with the Federation of Norwegian Industries
- Enhance capacity building through strategic cooperation/consolidation
- Raise awareness and competence of the Asian marine sector and the market opportunities
- Choose focus area/countries and identify the right partners in Asia for the Norwegian suppliers – companies, clusters, projects, institutes and organizations
- To put the Norwegian supply sector in an Asian context – development of business models – packaging of technology and competence
- Market creation, - empowering SMEs in Asia to grow into semi-industrial production systems (“bottom of pyramid approach”)
- Don’t forget the suppliers to the value chain of fisheries

The Norwegian supply industry has a huge potential in Asia. At this moment only a few Norwegian companies are ready and capable to exploit this potential.

www.innovasjon Norge.no



The role of Innovation Norway

We give local ideas global opportunities

An international organization



OFFICES IN
ALL COUNTIES



REPRESENTATION IN MORE
THAN 30 COUNTRIES

Innovation Norway in Asia



White Paper on Innovation Norway (2012)

1

New Goals – New Strategy

2

Simplification

3

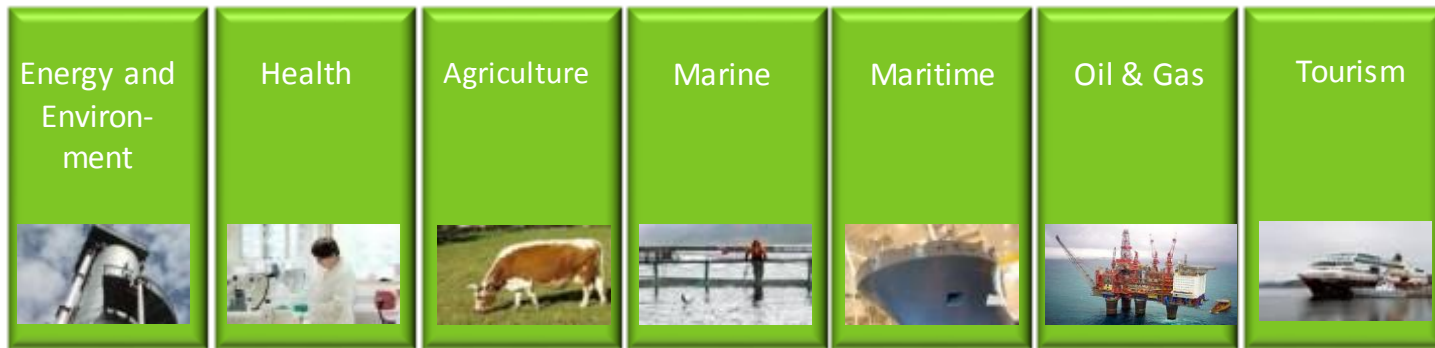
Internationalisation

4

Advice Owners/Principals



Priority to seven sectors



How Innovation Norway's supports Norwegian companies going international

- Entry point: Innovation Norway's district office
- Considerations regarding readiness
- Financing
- Competence building
- Networks
- Prepare for international approach

How Innovation Norway supports Norwegian companies going international

- Market consideration – choice of market
- Market ‘intelligence’;
 - general market information
 - market potential/size/trends
 - technology
 - price level
 - barriers (trade/ownership/licenses/...)
 - competition
 - distribution chain
 - agent/distributor/partner search
 - choice of presence
 - newsletters
- Practical assistance
- Advise on business ethics

25 basic services to increase innovation

Our customers and partners have clear expectations to our marine sector work at home and abroad. It shall appear coordinated with relevant sector expertise and with simple and easy service offerings.

| Service type | Services |
|--------------|--|
| Advisory | International Business |
| Advisory | Strategic positioning |
| Advisory | Design services |
| Advisory | International Trade Regulations |
| Advisory | IPR advisory service |
| Advisory | EU advisory service |
| Advisory | Mentoring service for Entrepreneurs |
| Networking | Arena Programme |
| Networking | Business Networks |
| Networking | Norwegian Centres of Expertise |
| Competence | Global Entrepreneurship Training (GET) |
| Competence | FRAM |
| Competence | Female Mentor |
| Promotional | International Trade Fairs |
| Promotional | Tourism Marketing Programme |
| Promotional | Business delegations |
| Financing | Grants to start-ups |
| Financing | R&D contracts |
| Financing | Guarantee for working capital |
| Financing | Low risk loans |
| Financing | Environmental technology scheme |
| Financing | Innovation loans |
| Financing | Skattefunn |
| Financing | Grants |

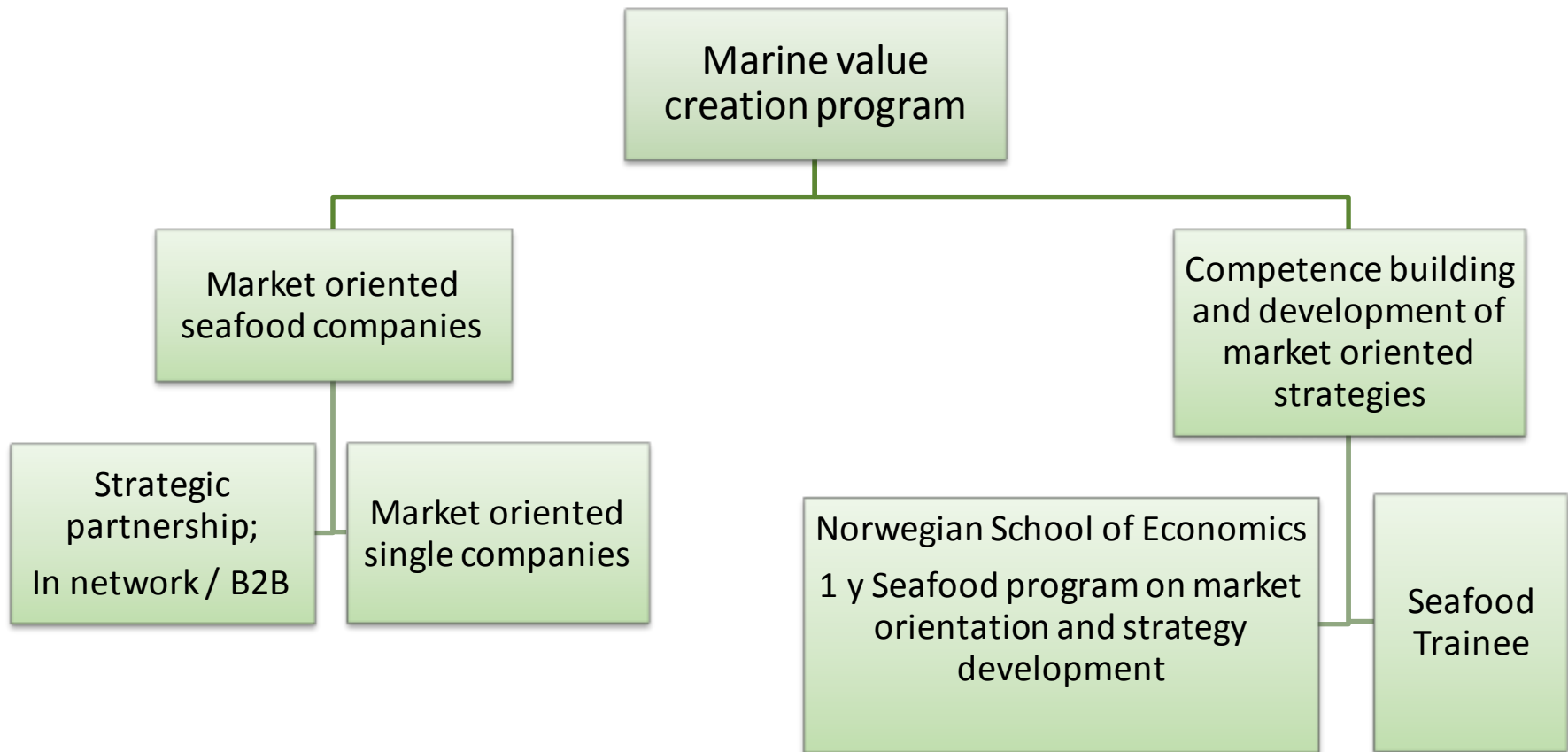
How Innovation Norway supports Norwegian companies going international

- International Trade Fairs
- Business Delegations
- Study Tours
- Seminars/Conferences



Photos: Innovation Norway

The Marine Value Creation Program



The Business MatchMaking Program (BMMP)

BMMP is owned and financed by the Norwegian Agency for Development Cooperation (Norad).



Innovation Norway operates the BMMP in four countries.

Main Objective:

To promote long-term sustainable economic growth and social development in the partner country.

Purpose:

BMMP aims at encouraging cooperation between businesses, and contributing to increased business activity through transfer of Norwegian technology, competence, capital and production know-how.



Cooperation partners



Other ...

Planned Asia-related marine activities during 2013

- Marine Market Opportunity Study (10 countries in Asia)
 - Finalisation
 - Prioritisation
 - Action Plan

- ‘European Seafood Exposition 2013’
- ‘Seafood Processing Europe’



- ‘Asia Days’, Norway
- ‘Aqua Nor’, Trondheim



Conclusion

- The marine sector in Asia will continue to grow for many years ahead
- Innovation Norway has taken on an ambitious project, starting with mapping of the marine sector in Asia and the Norwegian supply industry
- Our aim is that Norwegian suppliers of technology, services and competence shall take advantage and capitalize on the growing market opportunities in this region
- Knowing the industry and the challenges ahead, we acknowledge this requires focused and hard work

www.innovationnorway.no