

## COMPANY INITIATIVE – Increasing the value of Norwegian seafood together

If you are an Norwegian exporter or producer, and is planning a marketing project, where the Norwegian origin and/or the industry’s trademark, “Seafood from Norway”, is an important part of the messaging, the Norwegian Seafood Council (NSC) can co-finance up to 50% of the cost of the project.

### What we can co-finance

- **MATERIAL** – brochures, posters, recipe booklets, roll-up banners, etc.
- **PRODUCT LABELING** – labels, stickers etc.
- **CONSUMER-TARGETED CAMPAIGNS**, product demos and trade shows
- **COOKING DEMOS** targeted towards customers and end consumers
- **PR-ACTIVITIES** – launching products, events, etc.
- **MEDIA BUYING** – advertisement in external newspapers, magazines, on TV, in social media and through e-commerce channels
- **ANALYSES AND MEASUREMENTS** – associated with the abovementioned activities

### What we cannot co-finance

- **PLAIN USE OF «SEAFOOD FROM NORWAY» TRADEMARK** – without complementary text
- **LABOUR COSTS** for exporters, importers, stores or other parts of the value chain
- **COST OF RAW MATERIALS**
- **SALES BONUSES**
- **ADVERTISEMENT** related to price discounts, for instance in customer magazines or flyers
- **DISCOUNT COUPONS, PRIZES, GIFTS**, gift cards and similar buying incentives
- **RENTAL OF STAND SPACE**, purchase or rental of shelf space for products
- **ACCOMMODATION AND TRAVEL COSTS** for demo personnel or others who have to travel to another country

### What determines the proportion of financing?

- The share of co-financing provided by the NSC is dependent on the proportion of the total marketing communication which conveys the Norwegian origin of the product compared to the company’s own brand.
- The NSC has developed templates for various marketing materials, i.e. advertisements, roll-ups, brochures etc.

### Two levels of co-financing

- 50% - where 50% of the communication related to the project represents the Norwegian origin
- 25% - where 25% communication related to the project represents the Norwegian origin



## Guidelines for Company Initiative

For co-financing through Company Initiative, the following guidelines apply:



- The Norwegian exporter/producer is responsible for the activity unless otherwise agreed. This means that the exporter is responsible for administrating the Company Initiative with regards to customers, retailers, agencies, etc., as well as for the documentation and written evaluation of the project after it has been completed. The exporter/producer covers the expenditures related with the project, and submits an overview of all costs with the final report.
- The NSC's budget for Company Initiative is recalculated and renewed every year, and all projects seeking financing must occur within a clearly defined time period. Applications for projects to be conducted during the current calendar year must be submitted before the 15<sup>th</sup> of November. Applications for activities planned for the following year, can be submitted after the 15<sup>th</sup> of November.
- The application must be submitted to the NSC **not less than one month before the launch of the project**.
- The NSC has developed templates for shared financing cooperation programs at 50% and 25%. **Use of these templates is mandatory for all Company Initiatives starting from the 1<sup>st</sup> of January 2019.**
- As NSC funding cannot go directly to any part of the value chain, external agencies must be used for the development and execution of the co-financed projects.
- During the marketing campaigns/activities, the Norwegian seafood industry's trademark, "Seafood from Norway", must be a part of the product's branding. If the products are produced and/or labelled abroad, the foreign producer must apply for a licensing agreement from the NSC to be able to use the "Seafood from Norway" trademark on their products and in order to receive financial support through Company Initiative.
- The maximum share of the NSC's co-financing is 50% of the total cost. For media buying the maximum limit of co-financing is 50% of the first 200 000 NOK of the total cost. If the cost of the media buying exceeds 200 000 NOK, the NSC can only cover 15% of the exceeding value. The reason for this limitation is that the common

marketing budget should be used on a variety of activities and go to a broad range of companies.

- If there are any alterations to the planned project, after the application has been submitted, the NSC must be informed before the project is launched.



## **Documentation and evaluation requirements**

**After the project has been completed, the NCS must receive a written report containing the following:**

- A complete overview of all the completed marketing efforts.
- An overview of the final total cost of the project. Copies of all related subcontractors' invoices must be submitted with the report so that the total cost break down of the activity is clearly indicated.
- **Photos showing how the marketing materials were used.** For in-store tasting demonstrations, the NSC requires **one picture (no more) of each demo day from each store**, with date and place clearly indicated, in order to confirm that the demo was conducted in the specified market, store, etc., in accordance with the project description. **Without adequate photo documentation, the NSC cannot co-fund the in-store demo.**
- A qualitative assessment which briefly summarises the experiences from the activities. These may be feedback from customers, chefs, retailers, etc.
- In cases when it is possible to quantify the effects of the activities, the numbers should be added to the report. Sales figures before, during and after the activities can document the effect of the project in a good way.



## Invoice

- The NSC shall only receive **one invoice** from the exporter/producer **after the final report** has been approved.
- The invoice must **never exceed the maximum agreed amount** in the agreement between the NSC and the exporter/producer. If the total investment is less than what was agreed, the NSC's share will be reduced accordingly. Should the final total cost be higher than what was originally agreed, the cost exceeding the agreed amount must be covered by the producer or their customer.
- Assuming that the NSC has received all the necessary documentation, the settlement will be made within 30 days after the date on which the invoice is received.

## Restrictions

**There are certain factors which limit the NSC's ability to participate in co-funding activities with individual entities. These are mainly:**

- **THE NORWEGIAN SEAFOOD COUNCIL'S BY-LAWS**, which do not permit the NSC to provide "support or any other services to businesses that may potentially distort competition and thus be deemed as illegal state aid under international agreements".
- **EEA AGREEMENT** which sets guidelines and limits the ability to provide support, even though fish per se are not covered by the EEA Agreement.
- **WTO REGULATIONS**, and the specific rules that follow from the agreement on subsidies under the GATT-agreement which set guidelines for the NSC's ability to provide benefits.

Based on this, there are certain limitations with respect to which types of activities the NSC can participate in, under which conditions it may do so, and how much funding it may provide. These limitations have been established in order to avoid the Seafood Council providing – or being accused of providing – support that may distort competition or subsidies.