

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

Are you a Norwegian exporter or producer planning to conduct marketing activities abroad? Norwegian Seafood Council can co-finance up to 50% of the activity costs, if the Norwegian origin and the industry's label, Seafood from Norway, is an important part of the communication.

### What can we co-finance?

- Materials: brochures, posters, recipe booklets, roll-up banners, 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 above mentioned activities

### What is not co-financed?

- Plain use of «Seafood from Norway» label without complementary text
- Salary 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 space for products
- Accommodation and travel costs

### What determines the proportion of financing?

- The share of financing provided by the NSC is assessed according to the proportion of the total message that conveys the Norwegian origin of the product compared to the company's own exposure.
- The NSC has developed templates for various marketing materials, i.e. advertisements, roll-ups, brochures etc.

### Four levels of co-financing

- Generic: placing company's or brand logo on generic marketing materials
- 50%: where 50% of the advertisement surface represents the Norwegian origin
- 25%: where 25% of the advertisement surface represents the Norwegian origin
- 10%: where 10% of the advertisement surface represents the Norwegian origin



## **Guidelines for Company Initiative**

**The following guidelines apply for the cooperation through Company Initiative:**



- During the marketing campaigns/ activities, the industry's origin label "Seafood from Norway" must be a part of the product's branding.
- The maximum share of financing is 50 percent for all types of activities. A maximum limit of 50 percent financing is set for the financing of media buying activities up to 200 000 NOK. If the activity cost exceeds 200 000 NOK, the exceeding value can be financed with a limit of 15 percent. The reason for this limitation is that more various projects and companies should be able to benefit from the common marketing budget.
- The NSC has developed templates for shared financing cooperation programs at 50%, 25% and 10% levels.
- Since the NSC's funding cannot be used directly by the actors in the value chain, it is assumed that external agencies must be used for the development and execution of the co-financed projects.
- The Norwegian exporter/producer remains responsible for the project unless otherwise agreed. This implies that the exporter is responsible for following up the process when dealing with customers, chains, agencies, etc., as well as for the documentation and written evaluation of the project after its completion.
- The application must be submitted to the NSC not later than one month before the launch of the project.
- The exporter pays for the activity at first and invoices the NSC retrospectively (one invoice) after the report is approved by the NSC. Copies of the subcontractors' invoiced must be attached.
- The activities are time-constrained, and the NRC's grant applies to each calendar year. Applications for the projects in the current year must be submitted before the 15th of November. For the activities planned in the following year, the application can be submitted starting from the 15th of November.

- For repeated activities conducted through parts of or during the entire year, only one plan should be submitted. Essentially, the priority will be given to new initiatives and products.
- In case of any changes to the plan, the NSC must be informed before the activity takes place.



## **Documentation and evaluation requirements**

**After the activities, the NCS must receive a written report containing the following:**

- A complete overview of all the executed marketing efforts.
- A final statement of the costs incurred during the activities.
- Photos showing that the marketing materials were used. For in-store tasting demonstrations a picture of each demo with dates and times should be enclosed to show that the activity has been conducted in the specified market, store, etc., in accordance with the plan.
- 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 were carried out can in a good way document the effect of the project.



## **Invoice**

- The NSC should only receive *one* invoice from the exporter/producer after the activity is completed. Copies of the subcontractors' invoices must be attached so that the total cost of the activity is shown.

- Specifications of the costs must be stated on the invoice as well as the percentage of the total cost that the NSC shall pay.
- The invoice must exceed the agreed amount. If the total investment is less than what was agreed, the NSC´s share will be reduced accordingly. In case when the cost is higher than it was originally agreed, the cost exceeding the agreed amount must be met 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 conditions that limit the NSC´s ability to participate in cooperative 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 RULES**, 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.