

**NORWEGIAN
SEAFOOD
COUNCIL**

Company Initiative –
increasing the value of Norwegian seafood together!

Company Initiative is...

Company Initiative is Norwegian Seafood Council's (NSC) co-financing program for marketing activities initiated by Norwegian producers and exporters and where the the Norwegian origin is promoted and the origin label "Seafood from Norway" is used.

The central principle is that the NSC can co-finance the part of the activity which is devoted to the Norwegian origin. The NSC's share of financing cannot exceed 50% of the costs.

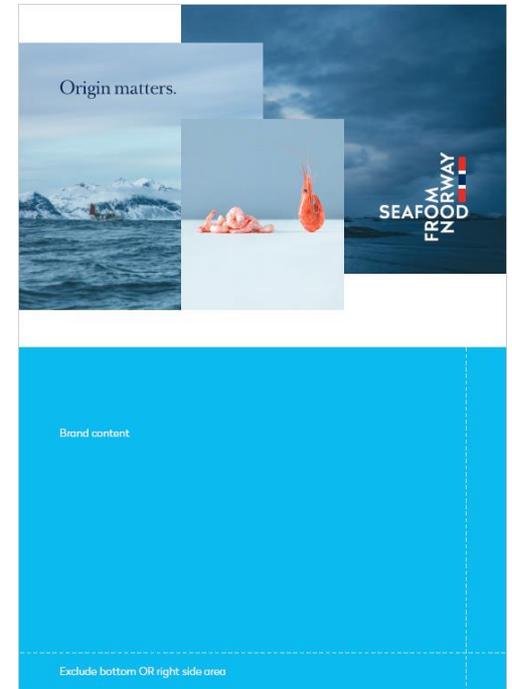
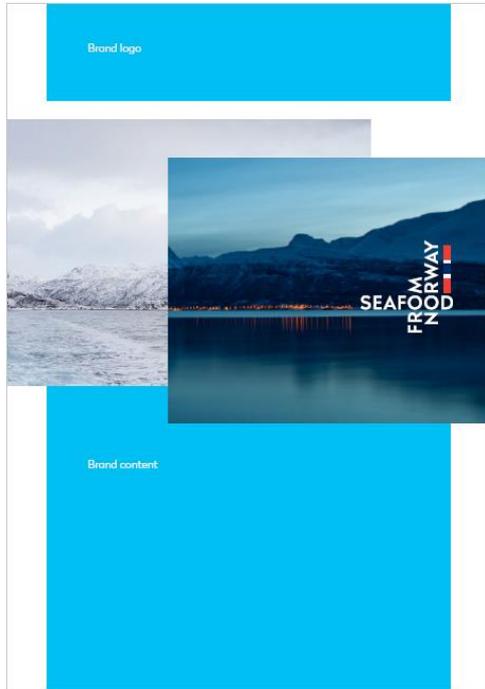
Through Company Initiative, the NSC can co-finance

- ◆ 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 aforementioned activities

The NSC´s share of financing

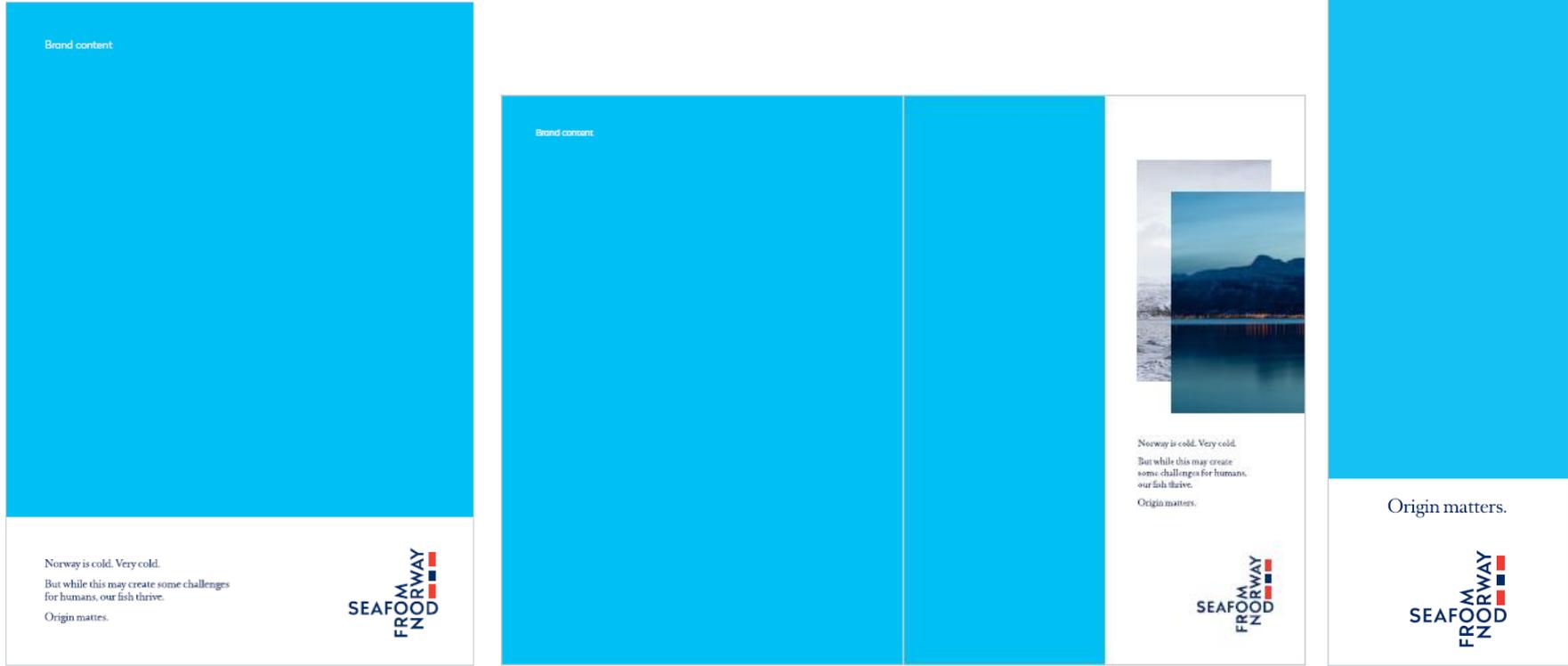
- ♦ The share of financing provided by the NSC is assessed according to the proportion of the total message that conveys the Norwegian origin of the product compared to the company's own exposure.
- ♦ In order to draw a clear distinction line between the Norwegian origin and the company's own exposure, the NSC has developed templates for various marketing materials, i.e. advertisements, roll-ups, brochures etc. for three different co-financing programs:
 - ♦ 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

Examples of 50 % co-financing



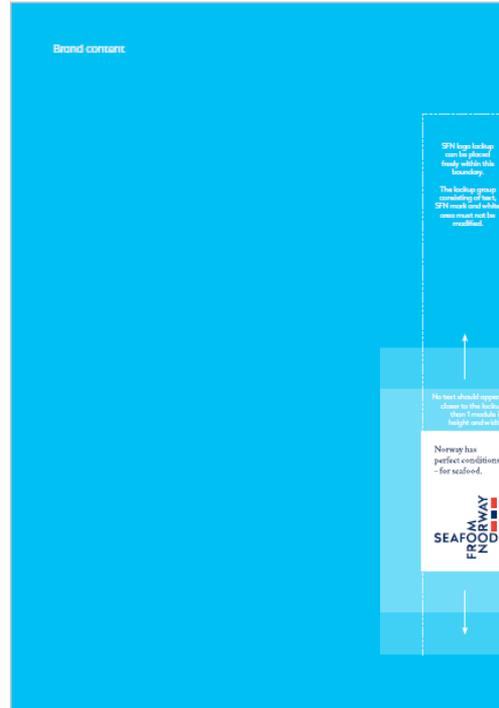


Example of 25 % co-financing





Example of 10 % co-financing



In-store



The NSC cannot co-finance the following costs:

- ◆ 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 when demo personnel or others have to travel to another country to conduct the activity

Documentation and evaluation requirements

After the activities are completed, 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.

Payment of the Seafood Council's financing share

After the report is delivered and approved, the NSC can be invoiced for its part of shared financing

- ◆ 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 never 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.
- ◆ NB! If the report is showing that the representation of the Norwegian origin is not in accordance with the agreement with the NSC, the reductions in payment will be made based on the factual proportion of the total communication which was devoted to the Norwegian origin.

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.

NORWEGIAN SEAFOOD COUNCIL

