Innovation Norway

Cooperation between Norway and Brazil

Helle Moen, director Brazil

2015-08-20 SINTEF seminar, AquaNor

Innovation
Norway

Trade between Norway and Brazil since 1842

Innovation Norway

Brazil: social indicators

- Mobile phones: 260mi mobiles
- Internet access: 83,4mi users
- Unemployment: 5,4%
- Literacy: 90,9%
- Expected average school time: 7,3 years
- 13.000 PhD released every year
- Population below poverty line: 8,5%
- GINI: 51,9 (2012)

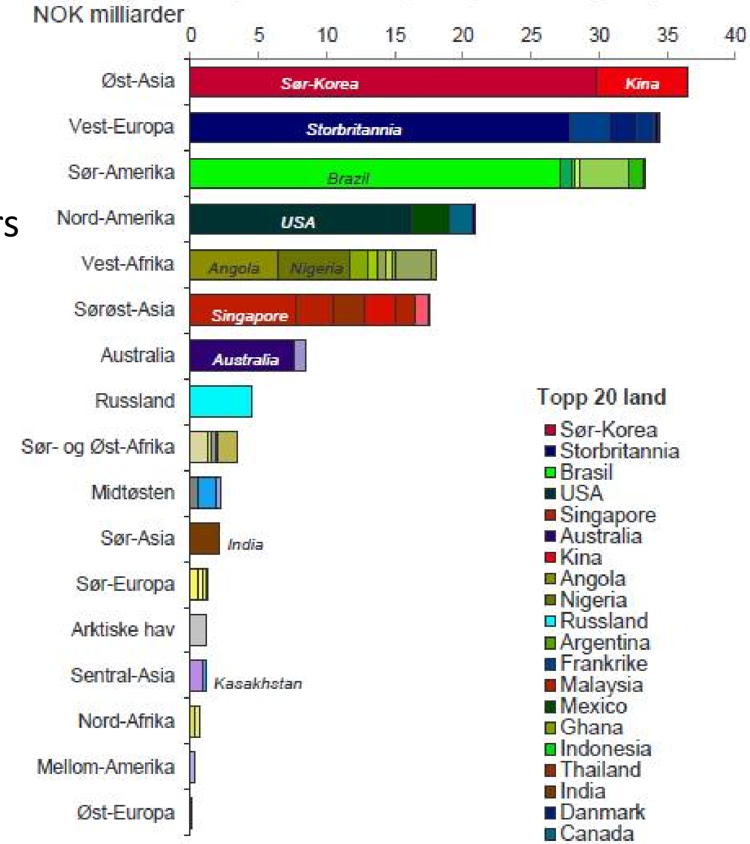
Social class	Family income (BRL/month)
A	≥ 13.560
B	6.780,00 – 13.559,99
C	2.712,00 – 6.779,99
D	1.356,00 – 2.711,99
E	≤ 1.355,99

Innovation Norway

Norway and Brazil

- Brazil is world economy No 7
- Brazil is the world's largest offshore oil&gas market
  - Norway no. 2 - still
- Brazil is the 3rd largest single market for Norwegian suppliers (27 billion NOK) – and growing
  - Korea and UK are bigger today
- Norwegian companies have invested more than 24 billion USD in Brazil, mainly since 2009
- More than 120 Norwegian companies operating in Brazil
- 25% of supply vessels in Brazil under Norwegian control
- BN21 agreement signed November 2013 – cooperation in RD&I
- Several MoUs between Norwegian and Brazilian clusters

Figur 4.2: Internasjonal omsetning, rangert etter region, per land*



Source: Rystad Energy, INTSOK, Own report, E&Y

Innovation Norway

Most relevant sectors for Norwegian companies:

- Oil & Gas
- Maritime
- Seafood/aquaculture
- Renewable energy/cleantech
- Travel&Tourism
- ICT
- Media

Innovation Norway

Marine sector

Aquacultur and seafood

www.innovationnorway.no

Innovation Norway

Brazilian Aquaculture market status (2013)

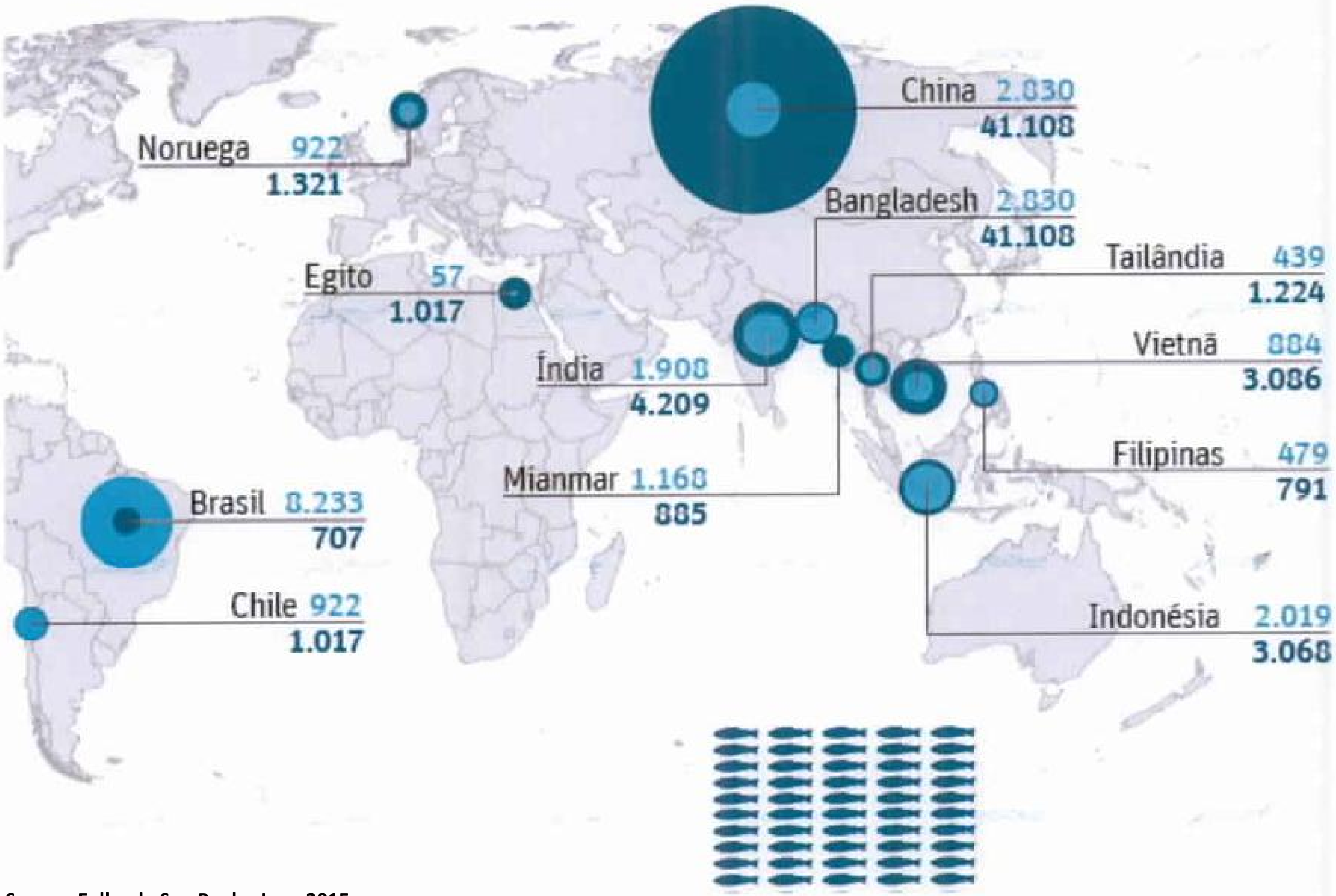
- Brazil has 12% of the planet fresh water and 8000 km of coast.
- New aquaculture parks in 13 states: production of 210 thousand tons/year of fish, oysters and mussels.
- Tilapia production increased 17% per year (2013).
- Governmental improvements:
  - simplification of the environmental licensing
  - fish became part of the food basket
  - Program of fishing harvest and aquaculture
  - actions against fraud and illegal fishing;
  - develop the Plan of fisheries zoning
- Improvements to be done:
  - enhance cultivation techniques and handling,
  - extend technical assistance to modernize equipment
  - invest in research
  - ensure more structure to the production chain.

Comparative table		
	2011	2013
Consuption per capita (kg)	6	14,5
Volume of fish produced (million tons)	1,25	2,5
Anual tilapia production (thousand)	160	210

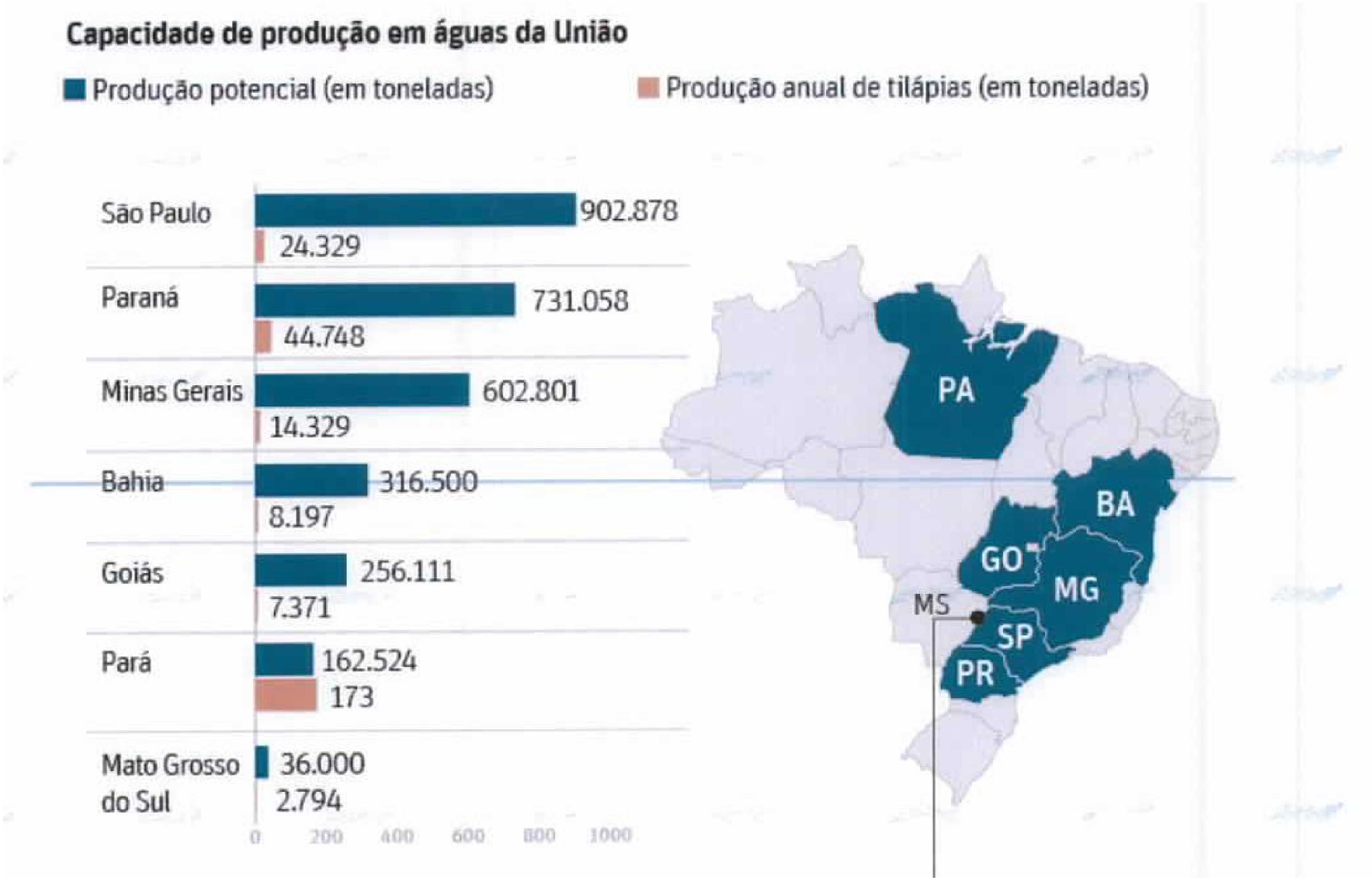
Source : Statement of Fish and Aquaculture 2013.

Os maiores produtores do mundo

● Aquicultura, em mil toneladas
● Disponibilidade de água doce em quilômetros quadrados

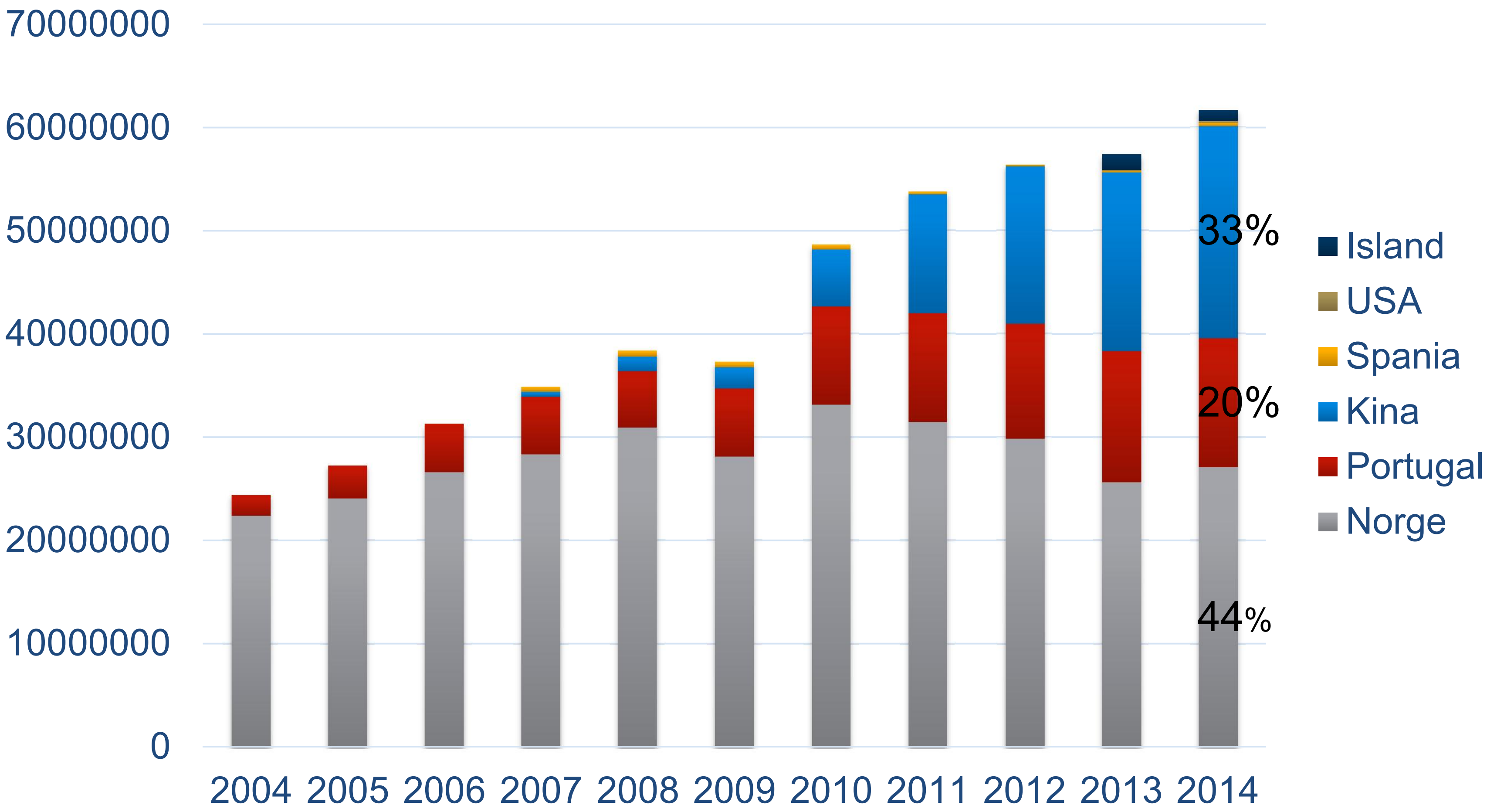


Source: Folha de Sao Paulo, June 2015



Source: Folha de Sao Paulo, June 2015

BRAZILIAN IMPORT OF ALL TYPES OF CLIPFISH (KG)



Innovation Norway

Innovation framework

What has been done?

www.innovationnorway.no

Innovation Norway

Bilateral cooperation Brazil/Norway

BN21

GCE/NCE

Economic commission

Cooperation about RD&I, industrializing, investments

Innovation Norway

Cooperation within RD&I Brazil-Norway

- Several agreements in place
- Cluster to cluster cooperation
- BN21 – agreement for RD&I cooperation
- ReNoBra: SINOS alliance & 6 Brazilian universities with cooperation agreement
- Norway-Brazil RD&I Conference in November to discuss project cooperation
- 2014: Bilateral Agreements to ensure co-funding of cooperation projects

Year	Norwegian entity/region	Brazilian entity /region
2014	Norwegian Research Council	CNPq
2014	Norwegian Research Council	FINEP
2014	Innovation Norway	FINEP
2013	Ministry of Petroleum and Energy	Ministry of Research, Technology and Innovation
2013	NCE Subsea	Rio de Janeiro State
2013	NCE NODE	Vale do Aço & SINDIMIVA (Minas Gerais)
2013	GIEK	Petrobras
2013	Cybernetica	Petrobras
2012	Innovation Norway	BG Group
2012	NCE Maritime	FIERGS (Rio Grande do Sul)
2012	NCE Subsea	ONIP
2012	NCE Subsea	FIESP (São Paulo)
2012	NCE Subsea	Macaé City Hall & ACIM (Macaé)
2011	GIEK	BNDES
2010	Innovation Norway	Petrobras
2010	GIEK	Petrobras
2010	SINTEF	Petrobras
2009	NOFIMA	EMBRAPA
2009	Ministry of Fisheries	MPA (Ministry of Fisheries and Aquaculture
2008	Innovation Norway	Pernambuco State
2008	Ministry of Education and Reasearch	Ministry of Research, Technology and Innovation
2005	Hordaland - Bergen	Espirito Santo State
2003	Rogaland - Stavanger	Rio de Janeiro State

Inn
Nor

Team Norway

INTSOK
Norwegian Oil and Gas Partners

Norges
Rederiforbund
Norwegian
Shipowners'
Association

NORGE.

NORWEGIAN EMBASSY

The Research Council
of Norway

NBCC
NORWEGIAN BRAZILIAN CHAMBER OF COMMERCE

NORWEGIAN CONSULATE GENERAL

EKSPORTKREDITT
Export Credit Norway

What can we do for you?

www.innovationnorway.no

www.innovationhouserio.wordpress.com

Innovation Norway

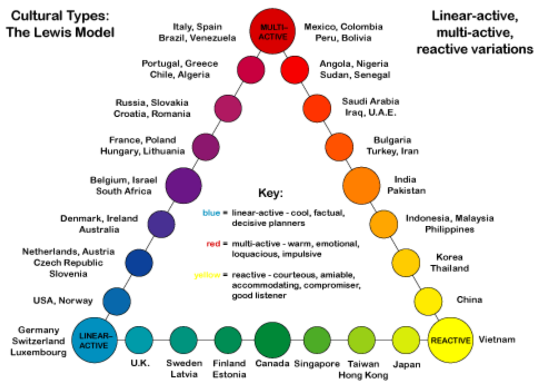
www.innovationnorway.no

Innovation Norway

«Brazil is not for beginners» (Tom Jobim)

- Opportunities
  - 200 million people
  - Growing middle class
    - > 200 million cell phones
  - World’s largest offshore and maritime market
  - Stability
  - Long relation Br-No

- Risks
  - Protectionism
  - Bureaucracy (Norway no. 6 – Brazil no. 120, EODB)
  - Cost level
  - Education and competence challenges
  - Corruption
  - Language
  - Cultural differences



Innovation Norway

Seafood market and consumer behaviour

- Expansion of import of seafood to Brazil during the last 8 years
- Consumption per capita of fish: 2003 – 6kg / 2013 – 10kg
- Change in consumer mentality for more healthy products = looking for processed products
- Frozen vs. Fresh: – 78% of frozen fish (2014)
  - Frozen products convienient for the supermarket (logistics and decrease of operational costs) and for consumers (practical to prepare)

	Tons	USD (mill)
Chile	81000	500
China	92000	236
Norway	26000	149
Argentina	37000	112
Vietnam	54000	110
Portugal	14000	96

Innovation Norway

Bachalau – salted cod

- Trade with Brazil since 1842
- 26.000 tons of codfish were exported from Norway to Brazil in 2013.
- Total value of approx. US$ 135 million.
- 20% of the total exports from Norway to Brazil, 26% of total global export of codfish from Norway to the world.
- Brazil and Portugal largest markets of dried salted codfish from Norway.
- Changes on consumer behaviour – preference for convenience products.
- New international players aggressively penetrating the market.