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**OSLO, NORWAY**

**Newsletter N° 7, April 2016**



**Pierre Erwes,**  
Executive Chairman  
BioMarine

The blue growth in our blue bio economy is becoming a reality and I am the witness of this perfect blooming. From Tromsø to Lisbon, the Atlantic coast is nursing a multitude of exciting projects. Biorefinery, which includes most of the key enabling technologies that will be used by our industry in the coming years, is at the forefront of this industrial revolution. It will enable biomass conversion and the extraction of the right biomolecules for feed, nutrition, cosmetics and healthcare. It will also help producing the right starch which will allow the development of the next blue revolution: bioplastics. We are actively preparing the ground to effectively support the development of our SMEs.

The BioMarine 2016 edition in Oslo will not only offer outstanding new perspectives on the development of our industry but it will also connect you directly with the investors, banks, and institutions which will finance your development. BioMarine is becoming the blue investment platform you were expecting. Become an actor of the blue growth, join us now.

**April, Featured Interviews**



**ANA PAULA VITORINO,**  
MINISTER OF THE SEA,  
PORTUGAL

“Economically speaking, the ocean economy represents around 2.5% of our GDP a figure that we consider too small for a country with the geostrategic positioning of Portugal with access to several of the Ocean ecosystems services .”

*Read the Interview Page 2*



**BENTE A. LANDSNES ,**  
CEO, OSLO BØRS

“In this international biomarine community, we expect to meet a wide range of company when it comes to size and type of businesses and with different strategies, but that all will fit one of our market places and our cluster of companies in the sector.”

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***“The investment measures will make the Portuguese economy of the sea grow at least 400 million euros by the end of 2019”.*** In this interview with The BioMarine TV & News, Ana Paula Vitorino, Minister of the Sea from Portugal shares her blue vision to make Portugal one of the European leading blue economy.



**BioMarine TV& News:** Portugal is leading the way, showing the rest of the world that the ocean agenda and the maritime strategy is a still top priority for the new government. What are the important marine mile stones for your country?

**Ana Paula Vitorino:** The new Portuguese government (since November 2015) defined the Ocean as one of its priorities and decided to take the Ocean Governance to the next level dedicating a specific minister to the definition of specific policies for the sustainable management of that resource. We want both to maximize the economic return of that vast resource and to protect it, especially because the Ocean is part of the cultural heritage of Portugal, and we want to ensure it remains well preserved for the future generations.

In this context the Government of Portugal endorsed me with the responsibility of coordinating all the ocean affairs including promoting blue growth, and the implementation of ocean policies founded in solid scientific knowledge, innovation, and technology development targeting both wholesome maritime spaces planning and protection of ocean resources.

***“ We Expect the Blue Fund running by the end of 2016”***

At the moment the Ocean represents three major challenges for the Portuguese government: Economic, Sovereignty and Knowledge.

Economically speaking, the ocean economy represents around 2.5% of our GDP a figure that we consider too small for a country with the geostrategic positioning of Portugal with access to several of the Ocean ecosystems services.

To overcome this picture we want to insist in three axis as the “engine” for a change: strengthening the traditional ocean economic activities; empower the emerging economic activities and reinforcing the Portuguese euro-Atlantic uniqueness in terms of ports and logistics.

In our opinion, the key to be successful in these three axis is to promote clusters of different ocean economic activities, which generate more value together than separate, meaning to maximize the value chain of the different activities. As an example, to associate the traditional fisheries with new foods industry or tourism, is not only a survival factor but also an opportunity to create qualified jobs and new markets.

In terms of sovereignty, and taking into account that Portugal is expected to extend its continental shelf (by 2017), creating a territory with around four millions square kilometers, mainly of deep and ultra-deep ocean, with resources (biological, genetic, mineral, energetic, ...) that need to be protected but that can also be exploited sustainably opening an opportunity to new activities and industries, that can transform the economic paradigm of the country, we will bet in measures like: effective presence at sea; ocean literacy; maritime spatial planning to enrich the economic, environmental and social dimensions of the Ocean; protection of the natural capital and ecosystems services.



The third challenge, the knowledge, is crucial to change the social, economic and environmental relation of our country with the ocean. The knowledge of the ocean is the only way to maximize the sustainable use of the ocean resources (biological, minerals, biotech or renewable energy) and that challenge demands a strategic investment in ocean sciences and training of highly skilled human resources.

## Interview: Ana Paula Vitorino, Minister of the Sea, Portugal

The investment in these 3 priority areas, together with the reduction of context cost (simplification of administration procedures for registering companies for the economy of the sea – ocean simplex) are the overall measures that we believe will make the Portuguese economy of the sea grow at least 400 million euros by the end of 2019.

**BMTV: You have announced a new financial vehicle. Could you please elaborate a little bit about your new blue fund?**

**APV:** Following the priority that this Government attributes to the Ocean as I just explained, we identified the need to create a central mechanism that could be used as a “first push” in all activities related to the ocean in particular the ones that we consider priorities: ocean economy, marine environment and natural capital, scientific research, innovation and knowledge transference for the economy.

In this sense we’ve recently created the Fundo Azul (Blue Fund) that reconciles public investment, risk capital, and contributions of usage of the maritime spaces. This new mechanism also contemplates the possibility of linkage with other funds, public or private, national or foreign.

We expect to have this “Blue Fund” running and actually funding the ocean activities by the end of 2016.

**BMTV: Portugal is becoming the largest European blue country. How do you plan to finance the development of this unique marine potential?**

**APV:** The financing of the Blue Economy in Portugal or in any other country is not an exclusive obligation of the States through their governments. For that reason, we expect that the private sector recognizes the effort that the government is making in creating the adequate conditions (as I told before we are simplifying the administrative burdens for business companies) for investment in the different activities of the economy of the sea.

***"It is clear that Portugal intends to pursue and strengthen the collaboration with Norway "***

At the same time, the government has just finished the new regulation that will allow an efficient use of European structural funds. In Portugal, we have a Thematic Operational Program dedicated to fisheries and integrated maritime policy, “Mar 2020” that we plan to be complementary to the “Blue Fund” that I explained previously.

Let me stress, once more, that the idea is for these funds to be a facilitator, not a substitute to the role of the private sector, that needs to have the proper conditions to invest, but also needs to take the chance of investing in areas that can really be profitable.

**BMTV: In 2014 and 2015 Portugal established the base of a strong partnership with Norway. What are now your priorities working with Norwegian industry and academic sectors?**

**APV:** It’s a fact that the Portugal/Norway cooperation is excellent. It’s a relation that goes back decades and relates to the trade of sea products, and specially (and it’s impossible not to mention it) the “cod fish” as the flagship of commercial trade between Portugal and Norway. Portugal is the biggest consumer of this species however, the cod is also important for the Portuguese fish processing industry that exports the traditional salt dried cod around the world.

More recently, other types of collaboration have been initiated, namely in terms of marine environment sustainability and marine research and technology. In fact, through the Financial Mechanism of the European Economic Area (EEAGrants), some partnerships including Portuguese and Norwegian companies and research organizations are already in place, regarding the integrated management of marine and coastal waters.

Even last year (2015), in the scope of an official visit of the President of the Portuguese Republic to Norway, several agreements were signed, including between ministries and between organizations, in areas such as marine research and marine environment management.

It is clear that Portugal intends to pursue and strengthen the collaboration with Norway, mainly because we share an identical strategy for the Ocean as a sustainable resource. Therefore, we foresee that the existing collaboration can leverage new ones like in aquaculture, sea food processing dedicated to different market niches, or biotechnology.

**BMTV: In October, the Minister from Quebec is expecting to engage with Portugal. What would you say to Mr Jean D'Amour?**



**APV :**The message that I can transmit to Quebec's Minister for Transport and the Implementation of Maritime Strategy, is that Portugal is committed in preserving but also in maximizing the economic and social return of the resource that the Ocean represents. At the moment, we are simplifying the processes of investing in the blue economy in Portugal with the aim of increasing the competitiveness and the revenues from the blue economy for Portugal. So we are open to discuss common interests and investments in economic areas like fisheries and aquaculture, ports and transports, offshore energy and renewables, ocean tourism or nautical leisure, but also emergent areas still needing investment in research and technology like the blue biotechnology or ocean mining.

**BMTV: This year at Biomarine we will organize a mini summit between the ministers attending: so far Norway, Quebec, and Portugal. What would be the most important point you wish to reach together?**

**APV:** I believe that the topics for discussion should include the synergies that our three countries, forming an Atlantic triangle, could agree upon, bearing in mind the three big economic axis mentioned before: strengthening the traditional ocean economic activities; empowering the emerging economic activities and reinforcing the Portuguese euro-Atlantic uniqueness in terms of ports and logistics. Any specific agreement around activities to improve the growth of any of these axes is very relevant for us and subject to cooperation. Besides this economic perspective, we are very interested in collaborating with other countries in terms of science, technology and environmental management. We believe that we need to have more knowledge about the ocean, and specifically about the Atlantic (the ocean shared by our three countries) and about the deep sea resources and characteristics.

**BMTV: How can we mobilize our international community to bring more business to Portugal?**

**APV:** As mentioned before, we are preparing the legal and administrative context to facilitate investment in Portugal, making our country more attractive and competitive. From now on with the elimination of the economic development bottlenecks, we believe that Portugal's existing added value (geo-strategic location, highly skilled human resources, existing infrastructures and ocean natural resources) makes our country a natural option for blue economy business at a global level. Therefore, I really invite all to follow the evolution and opportunities that Portugal presents already and will improve in the near future.

**BMTV: Blue Bio Alliance is the new Portuguese cluster. Can we expect an industry and investor's delegation to come to BioMarine Oslo next October with you?**

**APV:** Luckily Portugal is facing a restructuring of several groups working on the marine sector that understand that together they are stronger and more competitive. This is the case of the Blue Bio Alliance that is a cluster of actors (companies, research groups, associations) working in the marine bioresources and blue biotech value chain. In that sense, and keeping in mind the target audience of BioMarine this is the cluster that should be represented in the next Convention in Oslo, but I would expect that other Portuguese clusters and organizations, would also be interested in participating in your conference, as a perfect platform for seeking business opportunities that sometimes rise from related sectors. Again, I really believe in cross collaboration between activities and sectors of the blue economy. So I really hope to see you all in October in Oslo and share with you what's happening in Portugal regarding the seas and oceans.



**BMTV: Thanks for speaking with us.**

*“Oslo Børs’ new market place, Merkur Markets, was established in January 2016. The purpose of opening this new market place was to give an option to smaller and medium-sized companies that required a simpler access to the capital markets with less comprehensive requirements...So far, we have already listed two company within bio marine- and seafood sector at the new market place.”*



**BMTV: Why Oslo Børs should be considered as THE blue trading place in the world?**

**B.A.L:** Oslo Børs marketplaces enjoy a unique position for companies in the biomarine- and seafood sectors. Measured by both market cap and number of companies with shares listed, Oslo Børs represents the largest financial market place in the world within bio-marine and seafood and thus the most important financial marketplace for “blue trading” in the world. Listed companies within the sector cover a wide range of the value chain, from small growth businesses to the world's largest seafood companies. Seafood has become an increasingly important industry on Oslo Børs. Over the last ten years, the market value of the seafood companies listed on Oslo Børs has grown from NOK 14 billion to NOK 148 billion. Seafood has also grown as a proportion of the total market value of all companies listed on Oslo Børs during this time and has increased from 1% to over 8%.

**BMTV: Most of the biomarine industry is made of SMEs and medium size corporation. What would be the advantages for these future key players to think about going public instead of using traditional ways such as private equity.**

**B.A.L:** A listing will give a company a better position to issue new shares since the shares are tradable on a regulated market and thus access to equity. Access to capital in order to grow and strengthen the financial position are important for most company.

Oslo Børs has a well-diversified member base ranging from large global investment banks to small trading firms. A listing in Oslo also provides companies with access to investors worldwide and share liquidity.

***" A listing in Oslo also provides companies with access to investors worldwide and share liquidity. "***

In addition, a listing gives visibility in general and a quality stamp. This can be valuable when seeking new customers or skilled employees. The companies listed on Oslo Børs in this sector also attracts very high analyst coverage.

It is worth mentioning that Oslo Børs also offer efficient market places for bonds issued by our listed companies. Oslo Børs has three different market places for shares and equity certificates, which are Oslo Børs, Oslo Axess and Merkur Markets.

Oslo Børs and Oslo Axess are both regulated markets and differ mainly in terms of the stringency in their listing requirements, particularly with respect to the company's history, market capitalization and number of shareholders.

Oslo Børs' new market place, Merkur Markets, was established in January 2016. The purpose of opening this new market place was to give an option to smaller and medium-sized companies that required a simpler access to the capital markets with less comprehensive requirements. This market place is open to private limited companies, public limited companies and issuers of equity certificates. Merkur Market is also open to large companies that either do not satisfy the listing requirement or do not wish to be fully listed on a regulated market. For example this market place do not require prospectus or reporting on IFRS. So far, we have already listed two company within bio marine- and seafood sector at the new market place.

**BMTV: can you share one example of successful floatation that has been done in our BioMarine industry here in Oslo?**

**B.A.L:** Sino Agro Food, a Chinese protein food production company and a large producer of prawns, was listed on Merkur Market in January this year. The company has so far experienced high liquidity with a turnover of almost 35 % annualized since the shares were admitted to trading.

In addition, I would like to mention the salmon producer Bakkafrost from the Faroe Islands. Bakkafrost was listed on Oslo Børs in 2010. In connection with the listing, the company conducted a combined IPO and secondary offering. The IPO was more than seven times oversubscribed, and the issue price was set at the very top of the indicative price range. Three years after Bakkafrost issued its first bond listed on Oslo Børs. Bakkafrost become a member of the OBX index in 2015 which means that the company are among the 25 most traded share on Oslo Børs. Due to market demand for derivatives on the Bakkafrost shares, Oslo Børs has recently also listed standardized derivatives on Bakkafrost. Today the company has an analyst coverage by 13 investment banks. Bakkafrost has attracted very high interest from international shareholders and the performance of the shares has been strong.

**BMTV could you tell us about your strategy and what do you expect when you'll meet with the international biomarine community?**

**B.A.L:** Our commitment to this sector is high and we are working hard every day to keep our strong position and deliver high quality services. Visibility is part of what we offer, and the seafood sector has a separate section on our web site. In addition, we have established an Oslo Børs Seafood Index that consists of shares of companies that operate in the seafood sector. This sector index was not designed to be investable but rather only as an indicator of the seafood sector's performance on Oslo Børs and Oslo Axess. In April 2016, we also launched a new tradable seafood index that will enable investors to buy and sell traded products that track the shares of seafood companies. It is also worth mentioning that Oslo Børs acquired Fish Pool in 2012, which is an international, regulated marketplace for buying and selling financial salmon contracts. I think this acquisition also demonstrate our commitment to the sector.

In this international biomarine community, we expect to meet a wide range of company when it comes to size and type of businesses and with different strategies, but that all will fit one of our market places and our cluster of companies in the sector.

**BMTV: Thanks for speaking with us and we look forward to welcoming you at BioMarine.**



National Partner of BioMarine Oslo 2016



# MBP Group

Innovative Business for Tomorrow's Environment



David  
Magnussen  
CEO MBP Group

“MBP Group and MBP Solutions offer innovative, legally compliant and value adding solutions to biological by-products on four continents. By-products from productions based on marine raw material is our special focus area since we started operating. MBP acts as the by-product specialist that the manufacturer can outsource all by-product activities to, from storage and logistics to market development, marketing and sales. Our suppliers benefit from our competent and structured approach, which has created documented value in a long term market approach. MBP has developed five key markets: biofuel, animal feed, anaerobic digestion, fertilizer as well as technical applications that typically require a mix of local approach in combination with a technical understanding and global approach.

MBP is very pleased to participate in the Bio Marine conference in Oslo in October. We are looking forward to meet up with existing and new suppliers and customers as well as understand industry trends and new industry players. With our factory and storage in Norway, as well as storage facility in Halifax, Canada and our office in Peru we are well situated to offer innovative yet still down to earth by-product solutions to industries in the Blue Economy”.

MBP Group will participate and sponsor one very important live session during the October convention: “When the by-product becomes the new product”. MBP is an acronym for Modern By-products and is thus a very appropriate sponsor for this live session.

Abstract:

The fishing, aquaculture and seaweed culture industry is notoriously wasteful.

In the fish and aquaculture industry, the removed parts are often discarded as waste; for example, the fishing industry in Norway generated 250 000 tons of post processing fish waste in 2012. This level of wastefulness is creating a need for the fishing industry to develop ways to use the discarded fish parts and so make the industry more environmentally friendly and more profitable.

In the algae and seaweed industry, valorization of co-products is an attractive option, given the fact that the world has the experience of using algae for a wide array of products. In addition to oil and Biodiesel the starch component of the biomass makes a suitable feedstock for the production of ethanol. The residue that is left over could then be used for conventional animal, fish or poultry feed, or for other nutraceuticals. There are emerging technologies using which the residue could be used to make products such as bioplastics.

How to transform the by-product into the new final product? This is the equation of the blue circular economy. Developing value-added products—such as bioactive peptides that have potential pharmaceutical applications—from waste. Many of these molecules have bio catalytic properties that have potential for use in a number of applications.

The session will discuss how the industry is handling these important new developments. What are the bottleneck, what kind of services and specialization are emerging? We will also discuss the certification issues to make these products friendlier for the final market.

MBP will share specific cases from the blue economy, where by-products from the fish oil refining and processing are being put to valuable uses, as well as innovative ways of creating value from aquaculture by-products.

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