



Market survey of the Barents region
Based on the CV's of 21 technological companies

for

TECHNOGROWTH



Kuopio, 24. August, 2017

A report presented by

Bjørn Storvik

Storvik & Co AS – Storvik & Co OY – OOO Storvik Consult

www.storvik.com

Who are we?

Storvik & Co is a company with 76% Norwegian, 24% Finnish shareholders.

We pursue Cross Border Business Opportunities with presence in:

Norway: Oslo, Narvik, Hammerfest

Russia: Murmansk

Finland: Helsinki, Oulu

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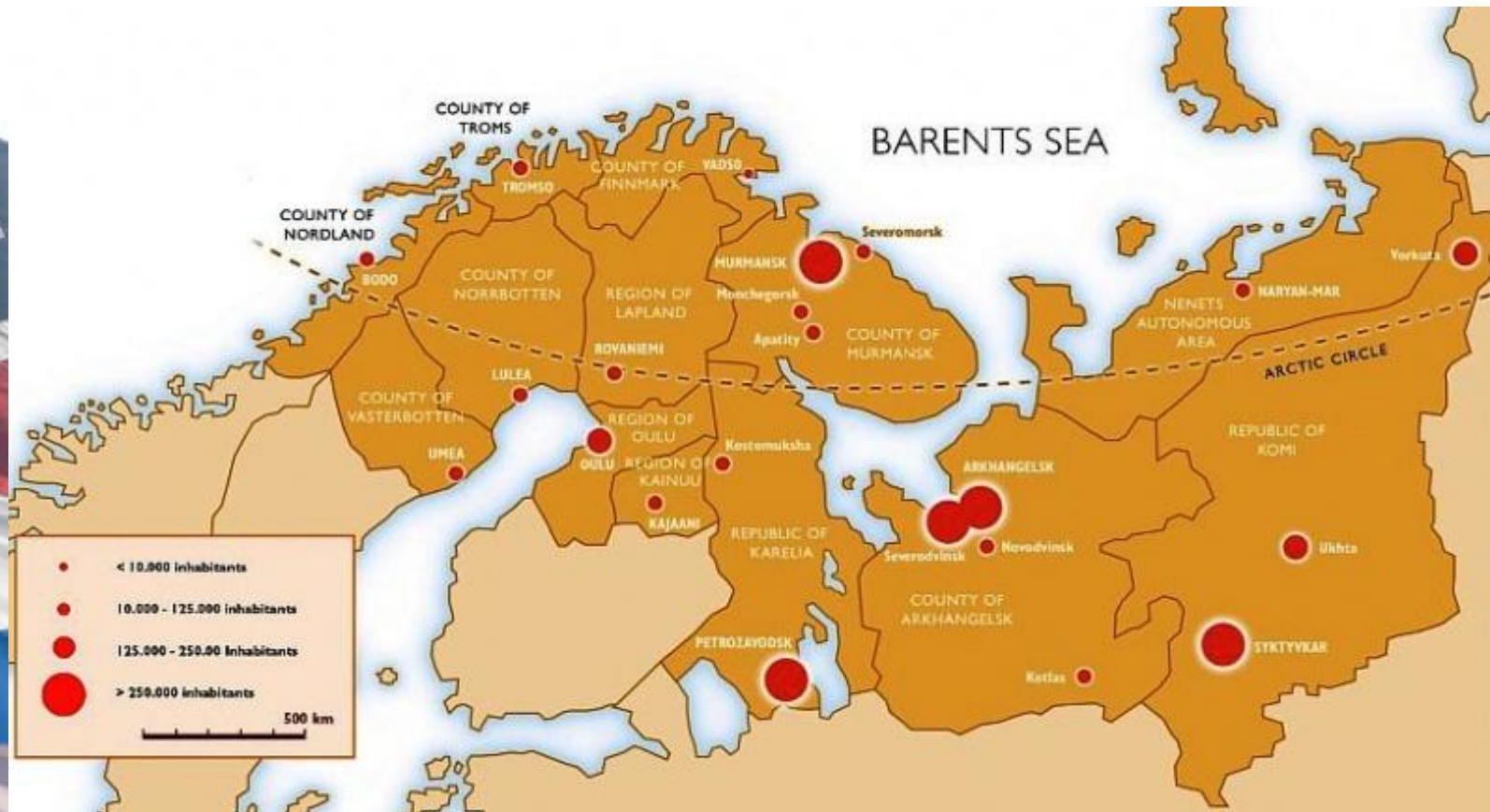
Background

The project shall investigate market opportunities in Northern Sweden (Norrbotten and Västerbotten counties), Northern Norway (Nordland, Troms and Finnmark counties) and Northwest Russia (Murmansk, Arkhangelsk and Karelia regions). The investigation has focused on 21 companies from Varkaus, Kuopio and Iisalmi regions, selected by the project owners.

The focus has been on opportunities and how to participate in this market including Customs and Taxes, Business Culture and Bidding Procedures.

The results are being discussed directly with the companies involved, but here are some of the highlights from the 3 regions.

The Barents Region

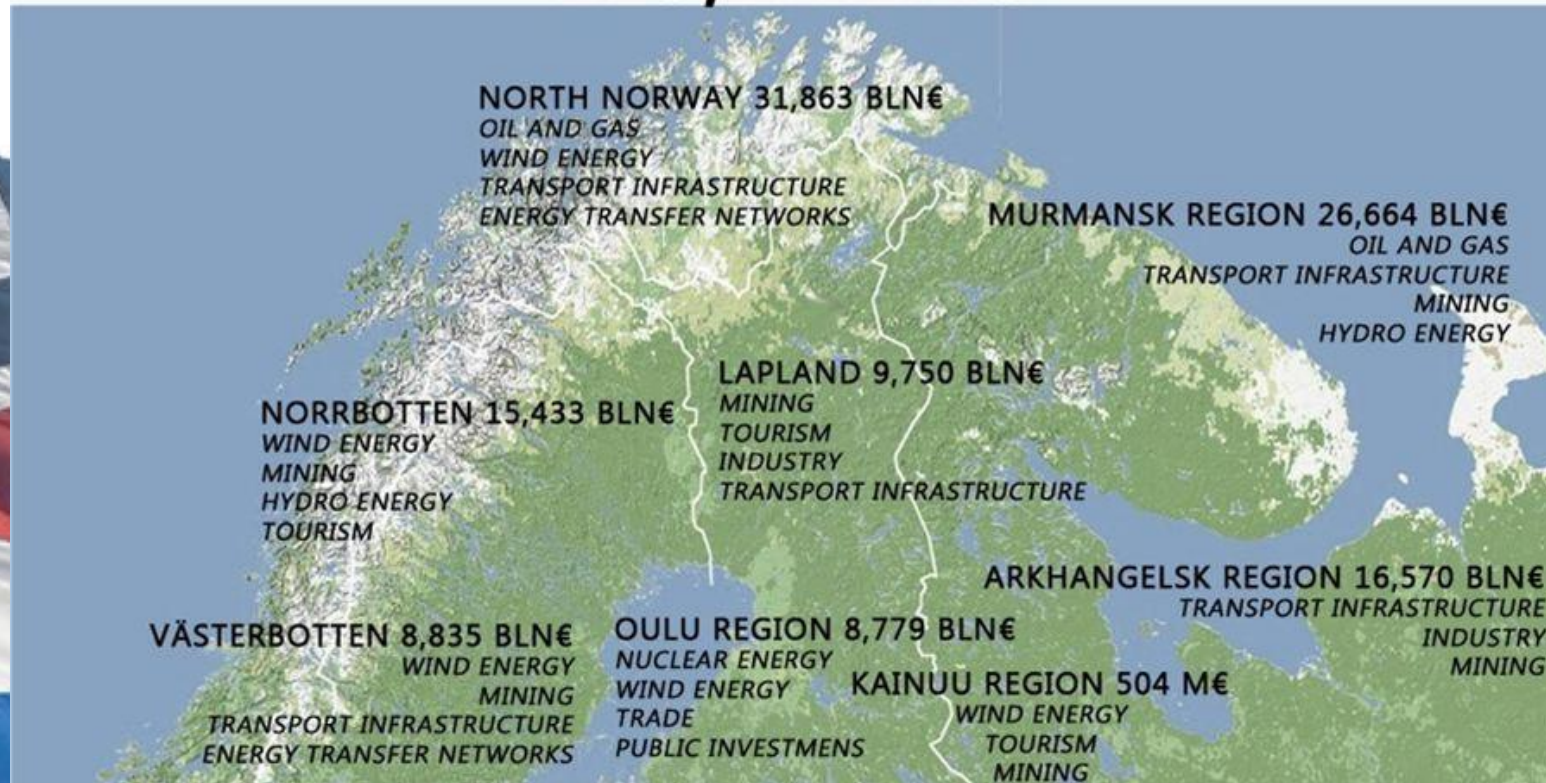


Or like this:



EUROPEAN HIGH NORTH INVESTMENTS BEFORE 2020

119,2 BLN€



Utsjoki 21.1.2014/ Timo Rautajoki

LAPLAND
CHAMBER OF COMMERCE

 Storvik & Co

Northern Norway – General Market Conditions

Northern Norway is presently enjoying a rapidly expanding economy in many sectors of industry and public spending, the most important are:

- ✓ Oil & Gas industry
- ✓ Fishing and Fish Farming
- ✓ Tourism
- ✓ Construction, Industrial and Privat
- ✓ Infrastructure development
- ✓ Industrial Development Privat and Public.

Oil & Gas

According to the most recent estimates by the Norwegian Petroleum Directorate 68 % of the remaining petroleum resources of Norway will be found in the Norwegian Barents Sea. The industry is moving North. By 2040 a majority of Norwegian oil and gas it is expected to be produced in the North.

Fishing & Fish Farming

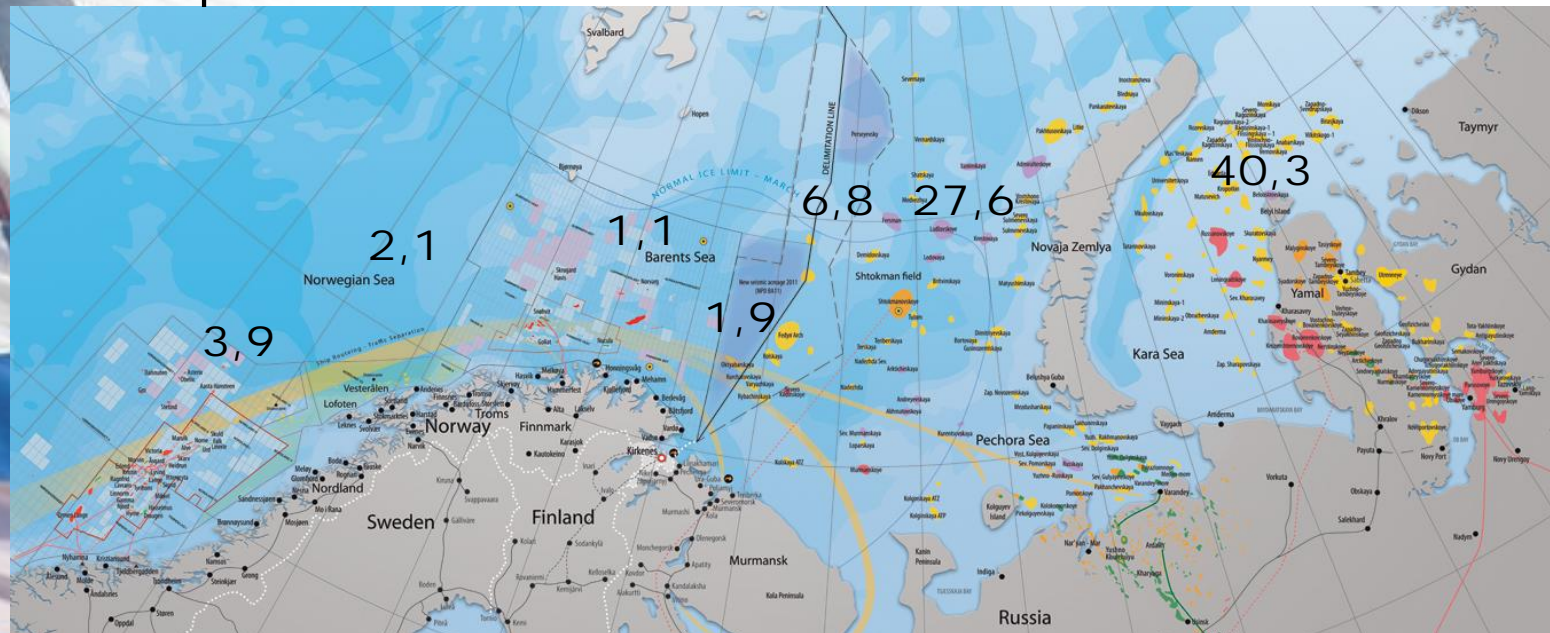
A sustainable industry, growing from year to year. Most of the investments are in fishing boats and technical equipment.

Fishfarming is expanding rapidly in the North.....



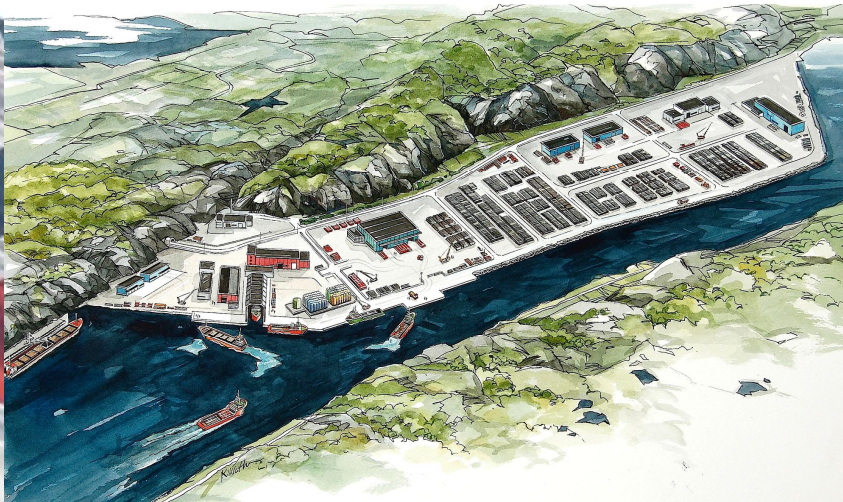
Resources in the North

- Rystad Energy predicts that produceable resources on the Northern part of the Norwegian Continental Shelf (NCS) amounts to 3 billion tons of oil equivalents, latest estimate close to the Russian Border, 1,9 billion tons.
- Total production during 40 years on the NCS amounts to 3,4 billion tons of oil equivalents.



Oil industry supply and service bases – developing **KIRKENES**

Kirkenes Industrial and Logistics area



Servicing the New Oil
Province – both West
and East of the Border



Pulkneset – Kirkenes Maritime Industrial Park

 Storvik & Co

The Hammerfest Vision -
today 2 operating fields –
Tomorrow 5!



Hammerfest 2030

OMV
Wisting

Statoil

Johan Castberg

Lundin
Norway

Alta/Gohta

Snøhvit

Goliat

Statoil Hammerfest LNG

Hammerfest

HAMMERFEST
KOMMUNE

HAMMERFEST
gateway to the Barents Sea

SANDNESSJØEN

The sky is the limit.....



HALLIBURTON



Schlumberger



Narvik

Narvik – Gateway to the East and Primary Logistics Center
Town and Port



Harstad

Harstad – The Oil Capital of the North



Lundin
Norway



Aasta Hansteen – The worlds largest spar



Superimposed on Oslo

In production next year



Northern Sweden – General market condition

- The region of Övre Norrland lies in the northernmost part of Sweden and consists of two counties: Norrbotten and Västerbotten. Put together they make up an area of about 150 000 square km which is almost exactly one third of the country's total area. The population of the region is about 516 000 people which is only slightly more than 5% of the country's total.
- In the last decades Norrbotten has been one of the country's most dynamic regions with a growth, measured in GRP, which is stronger than in the rest of the country.
- During the period 2011-2013 about 15 percent of Sweden's industrial investments were made in Norrbotten.
- In the years 2010-2012 about 6,2 billion Kroner were invested in Norrbotten which is Sweden's second largest investment volume per county after the county of Västra Götaland. Calculated in Kroner per capita Norrbotten was obviously far ahead.
- The primary industries in the region of Övre Norrland are mining, mineral processing, steel production, pulp and paper, forestry and wood processing as well as energy production



LKAB is moving Kiruna!!!



Facebook data center in Luleå



NorthWest Russia – General Market Overview

The target economic region covers the vast territory of the European part of Russia with an area of 730 thousand km², extending to the Barents and White Seas of the Arctic Ocean.



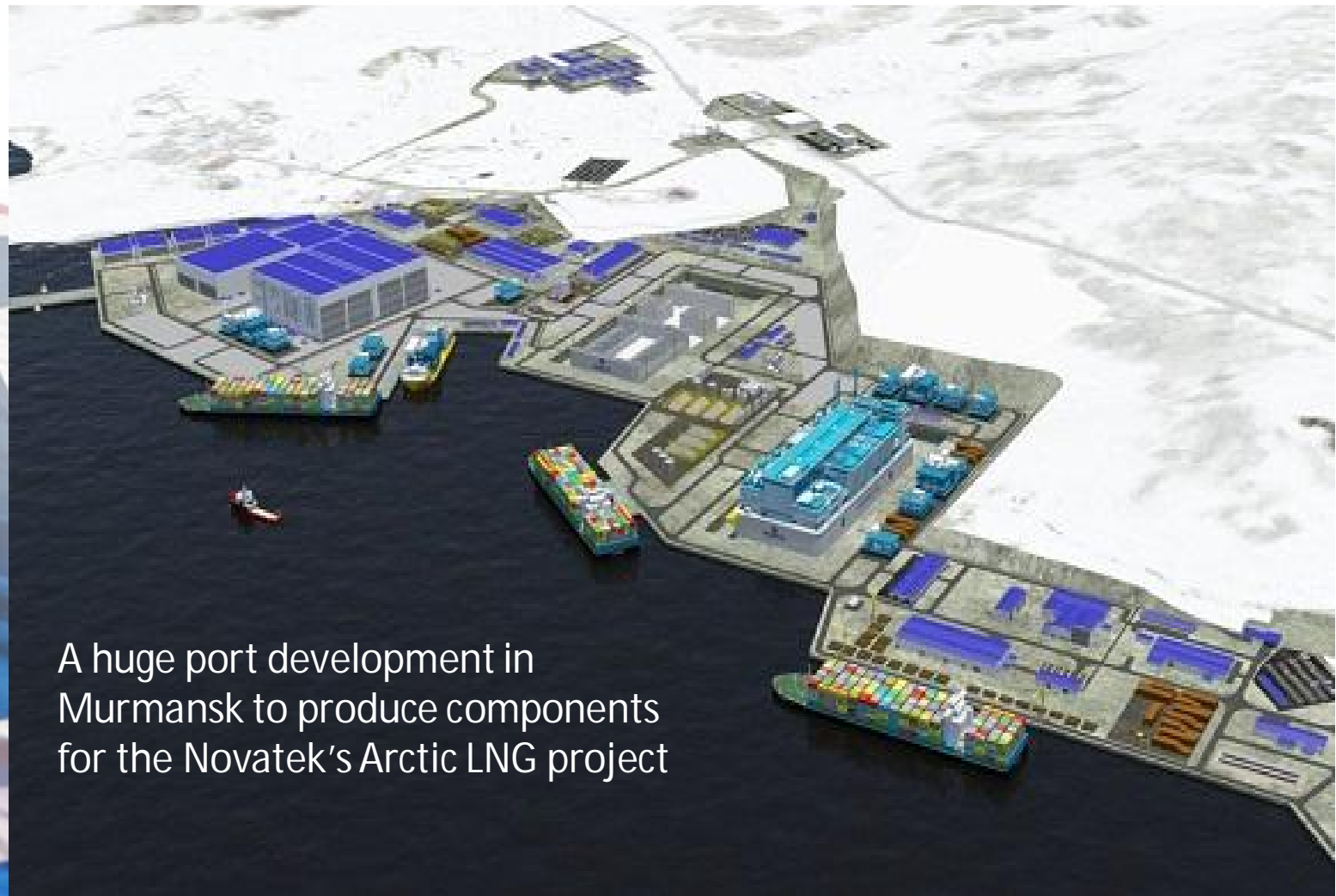
Favorable economic and geographical position is ensured by the proximity of the largest industrial bases of northwestern economic region, large ice-free Murmansk port which allows year-round navigation, offshore Arctic zone rich in hydrocarbons. These factors contributed to the establishment and development of marine industries in the area, development of large industrial hubs, expansion of economic scientific and technical relations with Norway, Finland and Sweden.

Key industries of the region include mining and metallurgy, forestry, pulp and paper industry, fishing, oil and gas industry, shipbuilding and power industry.

Yamal LNG – a 30 billion \$ investment



Kola Yards



Pulp & Paper



VI MURMANSK
INTERNATIONAL
BUSINESS WEEK,
NOVEMBER, 13-17



VI МУРМАНСКАЯ
МЕЖДУНАРОДНАЯ
ДЕЛОВАЯ НЕДЕЛЯ,
13-17 НОЯБРЯ

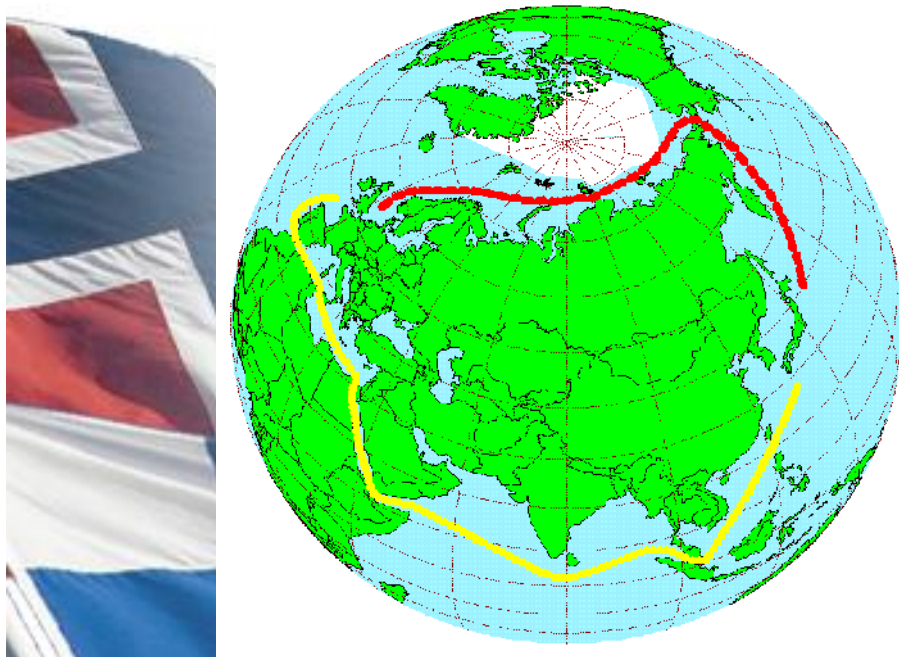
The Murmansk mining Industry –making large investments



www.alamy.com - J569FE

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Russia – Northern Sea Route



How to reach this Market?

- Understand the Market in relation to your products and services
- Seek a reliable partner that knows the Market
- Join forces with those you are already working with
- Understand the financial support mechanisms that already exist to help lower the risk
- Prepare your marketing and sales tools, a brochure or web site in Finnish does not help very much
- English is OK, but better still to have the info in the country you are entering.
- In addition.....





Trade shows – we have included a section of relevant tradeshow- it is a very good way to meet the business face to face.

Specially the Norwegian market this is very important- here are some examples for the next year's event:



Sør-Varanger
kommune



KIRKENES
NÆRINGSHAGE



Kirkeneskonferansen

Feb 2018



Barents Sea Conference & Expo Hammerfest

April 2018

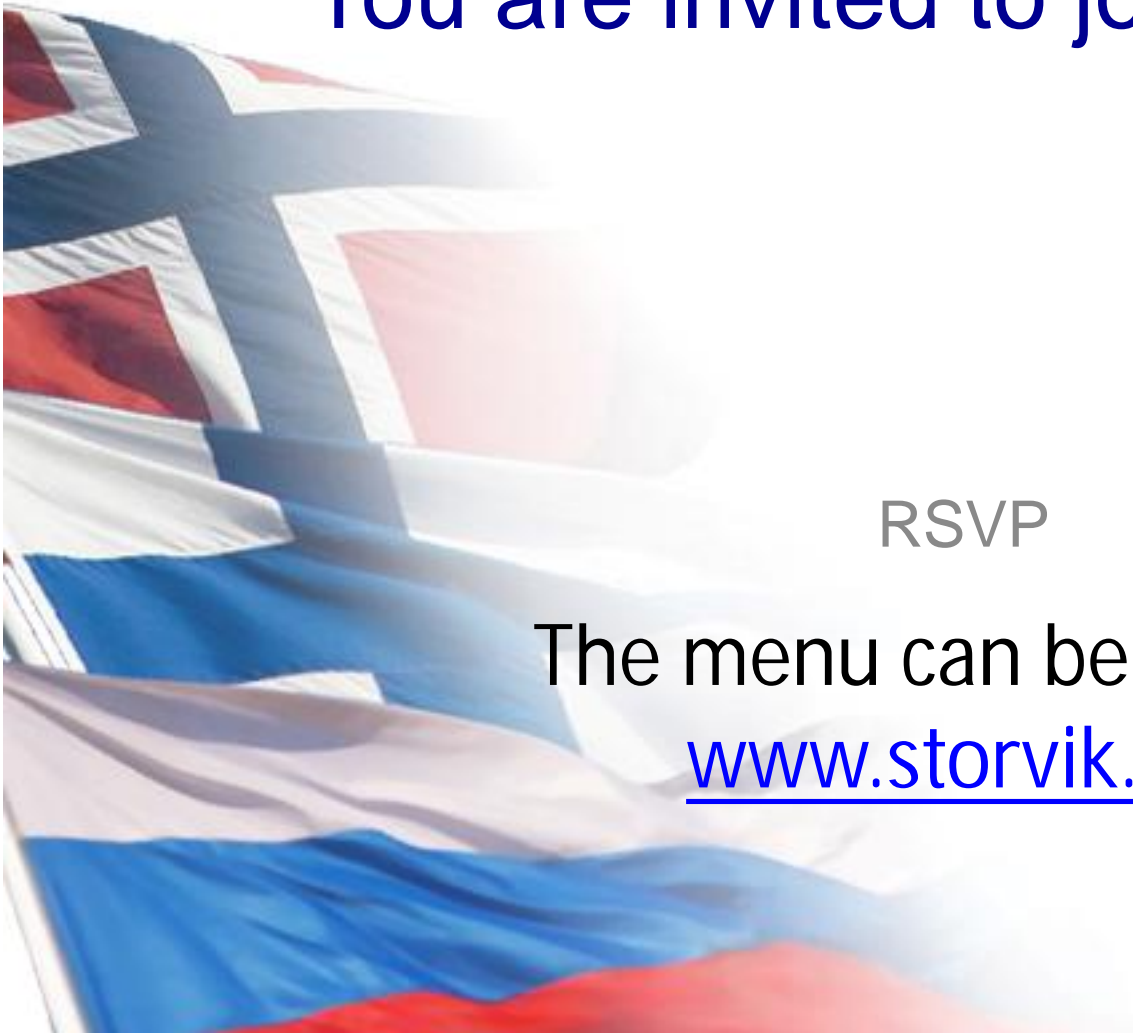


ONS August 2018 Stavanger

Some of our clients.....

Storvik Consult





The menu is served
You are invited to join the party

RSVP

The menu can be found at
www.storvik.com