

A large iceberg floats in the water under a dark, overcast sky. The iceberg has sharp, jagged peaks and a textured surface. A semi-transparent white banner is overlaid across the middle of the image, containing the title and date.

# Salmon farming: Food production's ugly duckling?

25 November 2016

Sjávarútvegsráðstefnan 2016, Hörpu, 24.-25. nóvember.

# Fish farming - An industry with an image problem



# My interest in the industry comes from a very different angle

Poverty and starvation are HUGE problems

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*“About 21,000 people die every day of hunger or hunger-related causes, according to the United Nations. This is one person every four seconds, as you can see on this display. Sadly, it is children who die most often.”* (www.poverty.com)

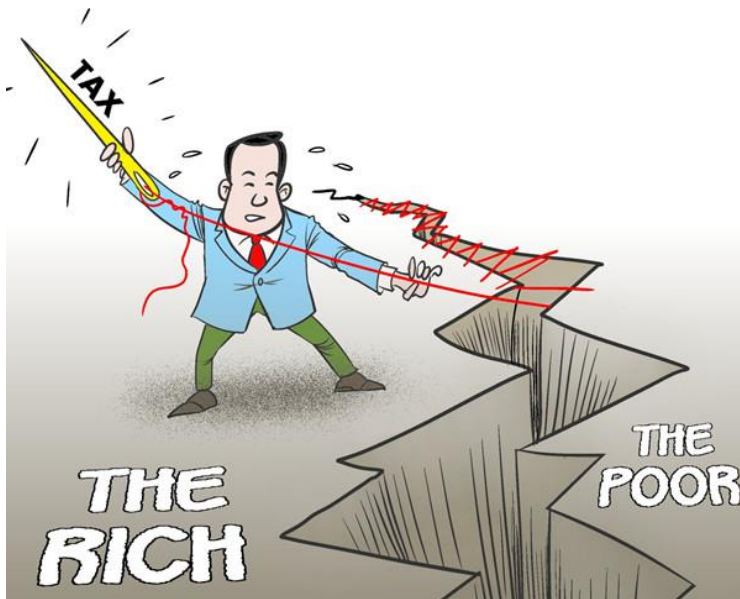




# How do tackle this terrible problem?

Redistribution of wealth

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Produce more food

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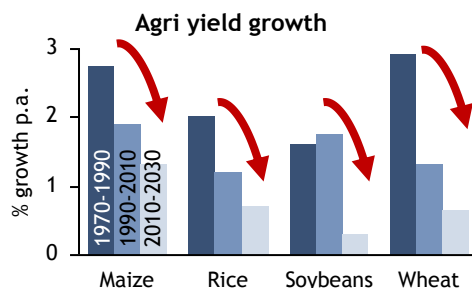
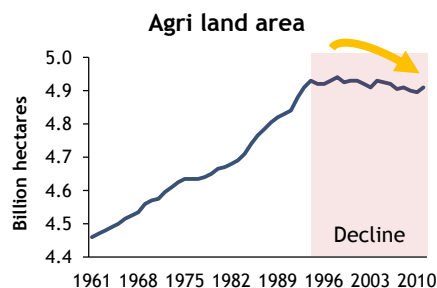


# From what source can we grow food production?

## Land

94%

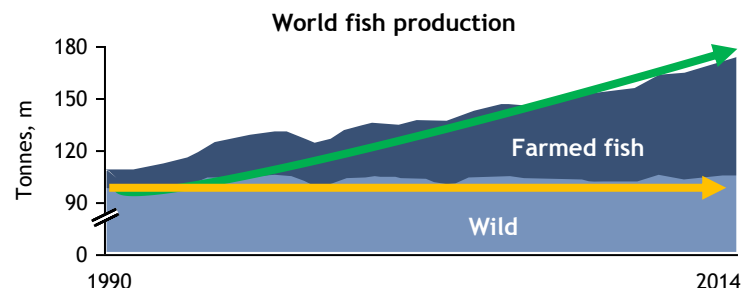
Share of world protein production



## Sea

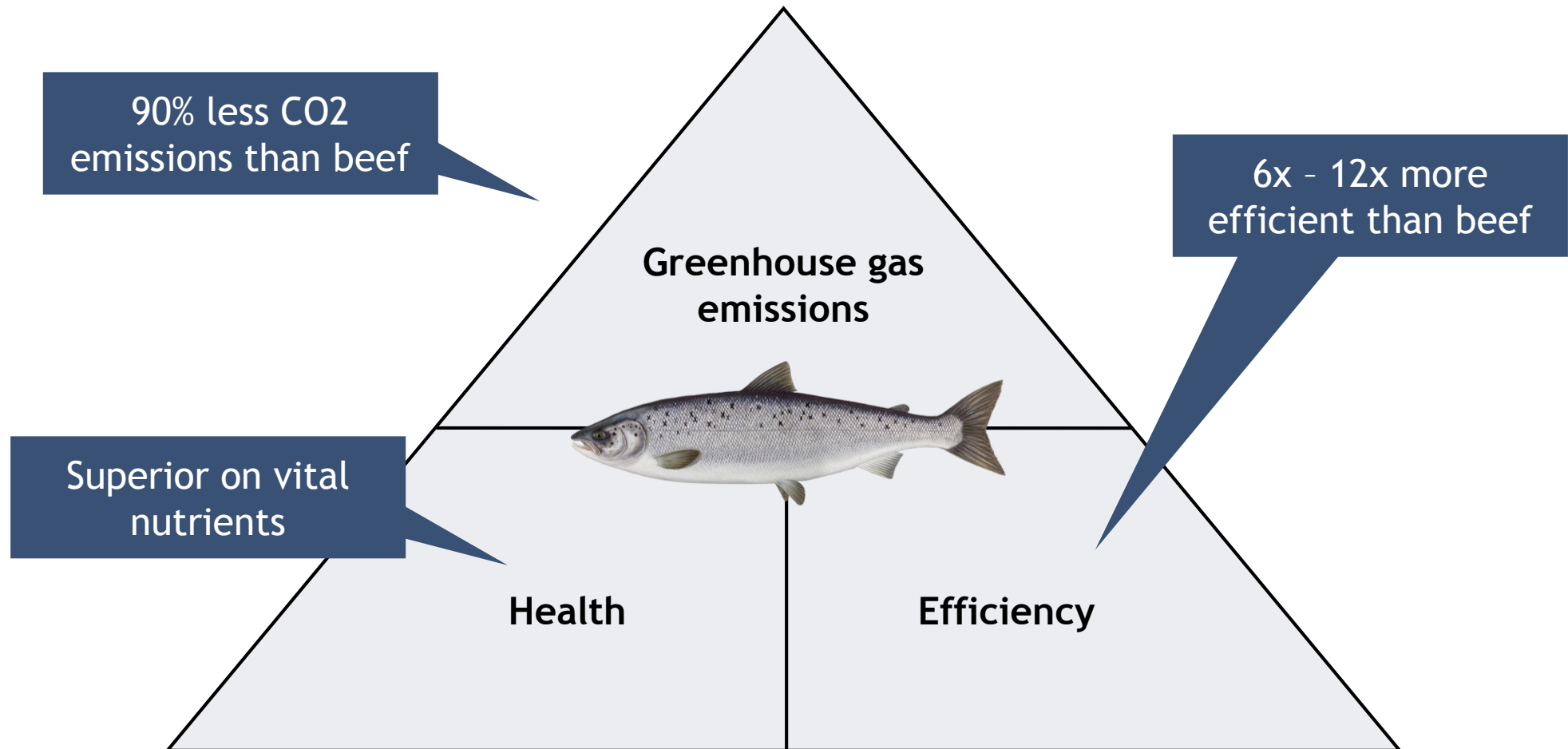
6%

Share of world protein production



*Farmed fish significantly outpacing land based food production and capture of wild fish*

# How does fish farming stack up on key food production parameters: Efficiency, healthy and greenhouse gas emissions?



# Progress is needed

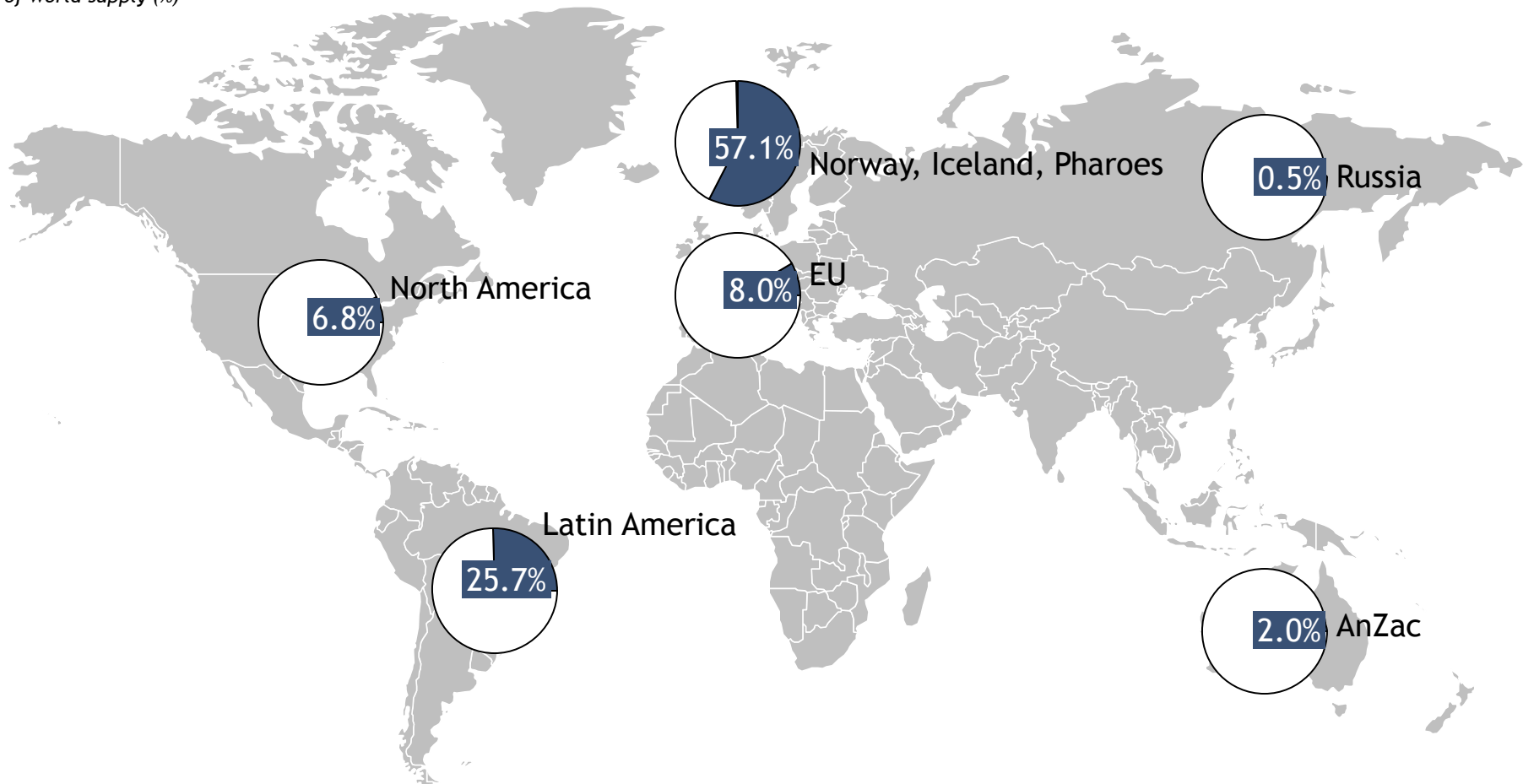


# “Saving the world is one thing, making money another”

*Examining salmon farming market economics*

Very difficult to see which areas can provide future supply growth

Share of world supply (%)

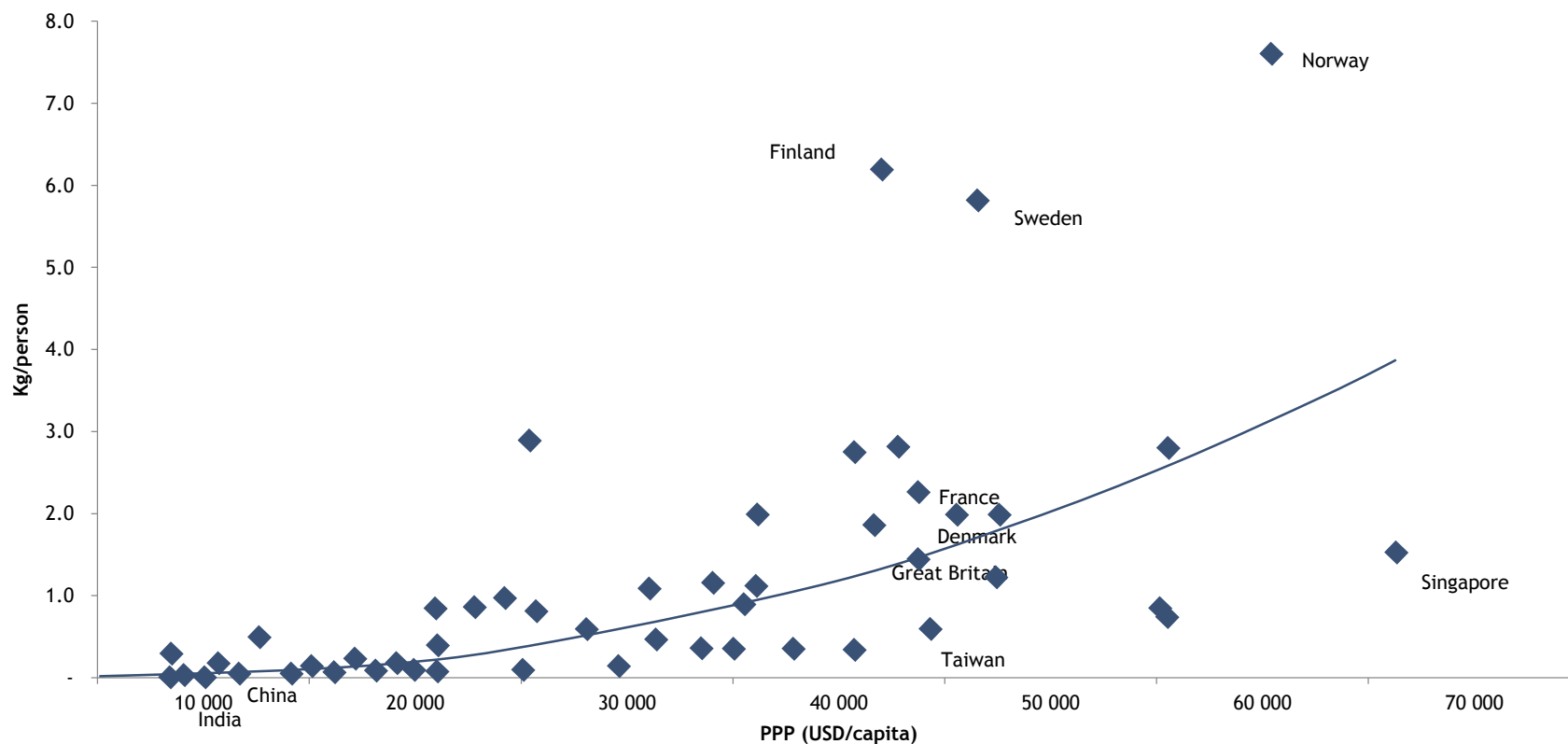


Source: Marine Harvest Salmon Industry Handbook

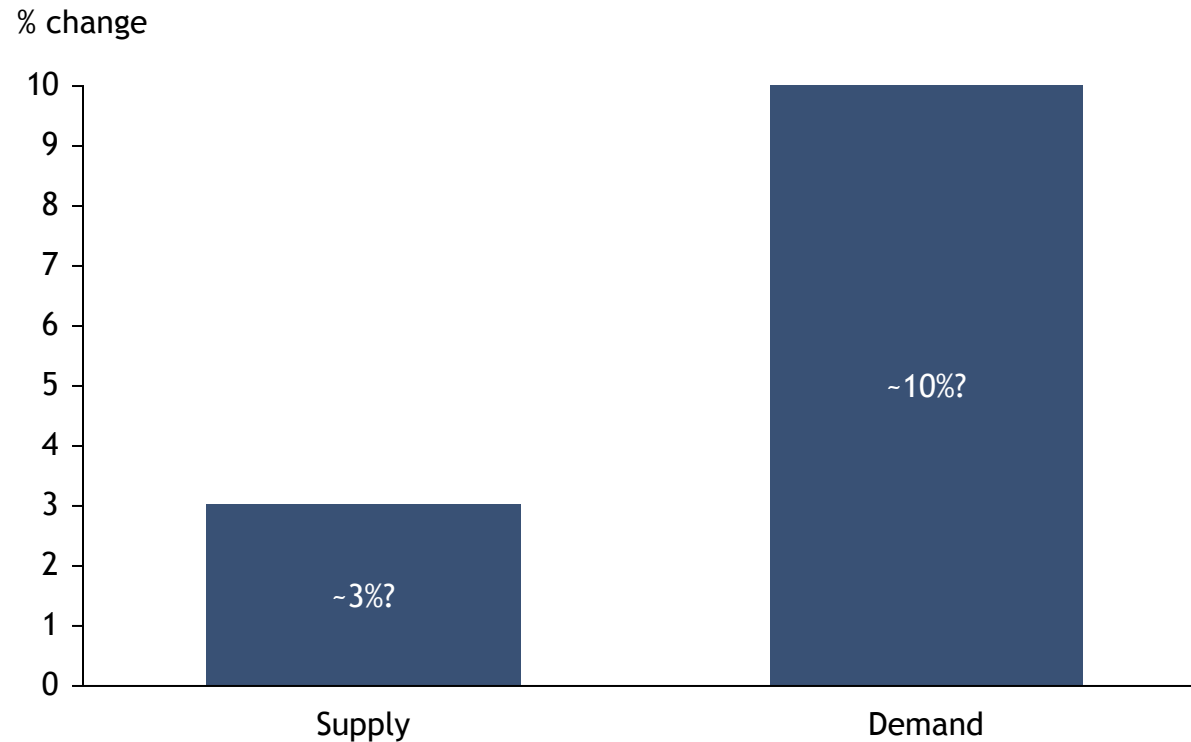


# When the poor gets richer salmon consumption will accelerate its growth

Salmon per capita to GDP (PPP, USD per capita)



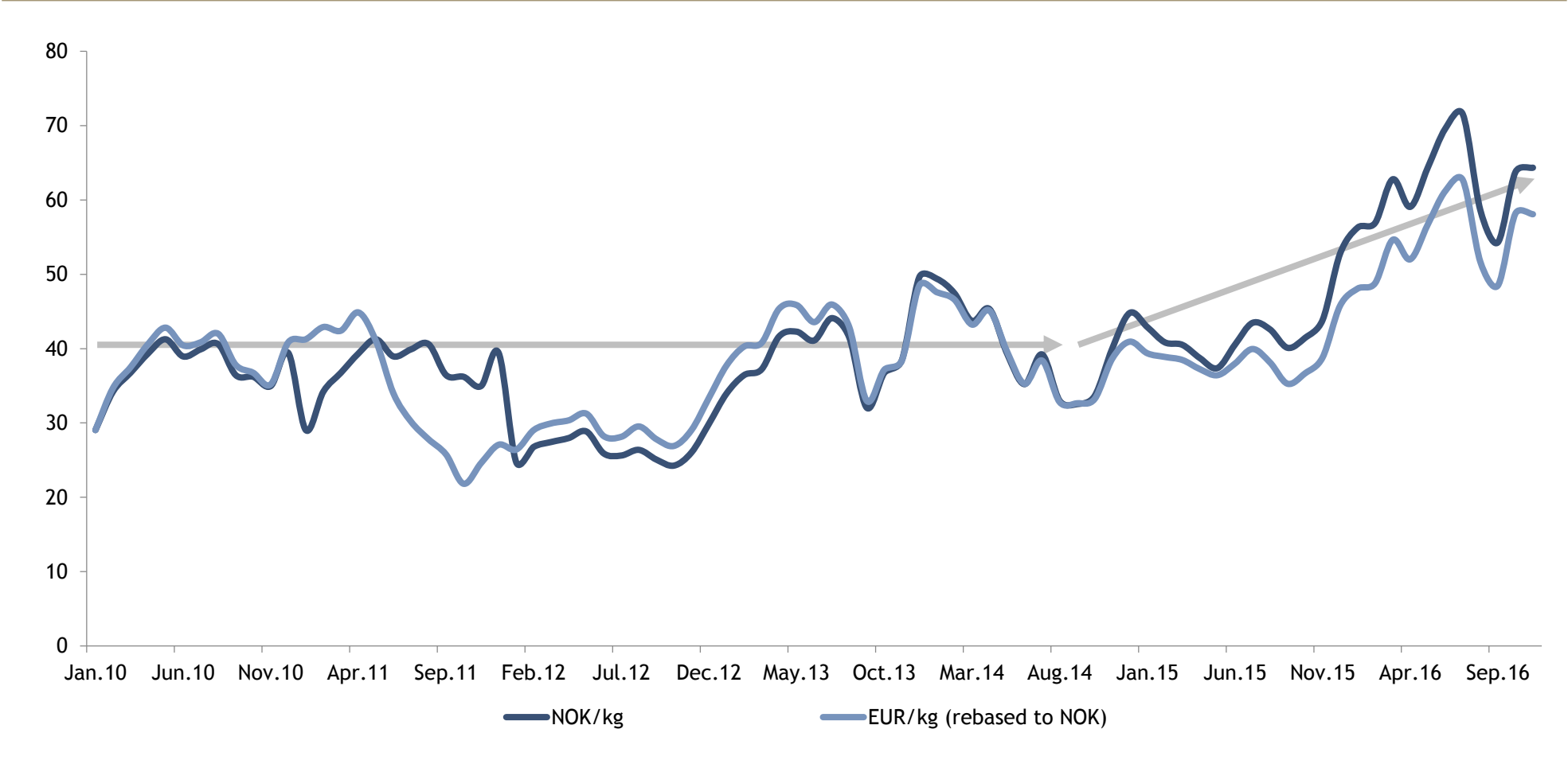
# With demand continuously outpacing supply, what to expect of the price?



Note: Growth illustrations are for illustration purposes only

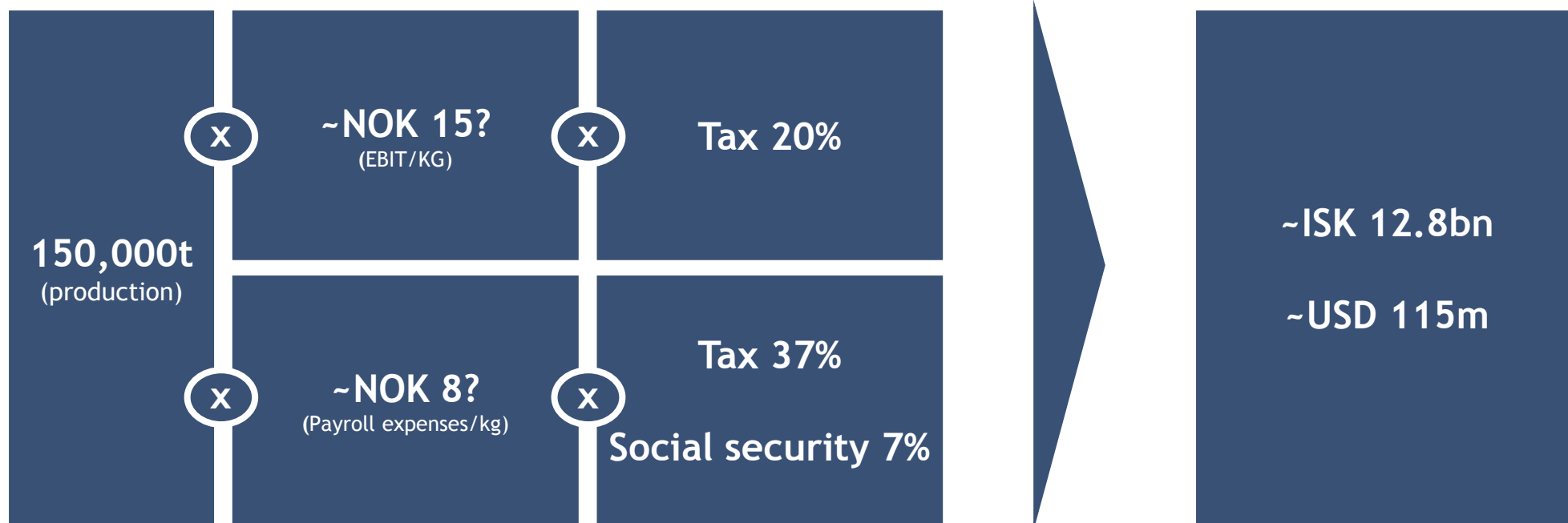
# Prices continue to set new records

Fish Pool Index weekly spot prices



# Huge tax potential for Iceland

Production of 150,000t/year at moderate assumptions yields significant tax income



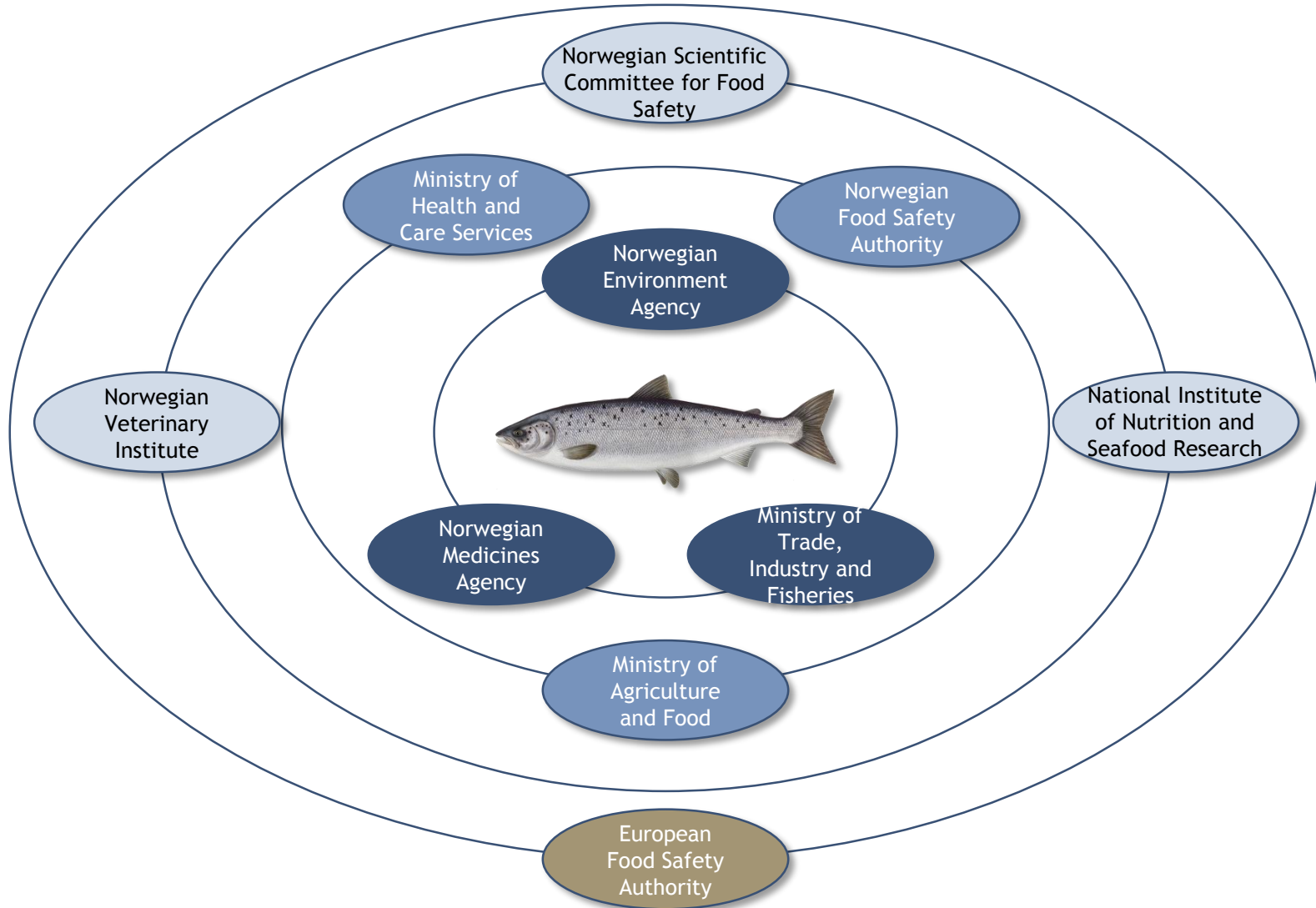
# Threats to be aware of

Do not allow any poor farmers





# Salmon farming needs regulation



# Iceland with a once in a lifetime opportunity

Salmon farming represents a great way for Iceland to

Just make sure to

**Efficiently produce  
healthy food without  
greenhouse gas emissions  
(the world thanks you)**

**Generate significant tax  
benefits and employment**

**Have a good regulatory  
framework and avoid bad  
farmers**

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