

Norway's Greig family backs salmon RAS 'at foot' of Japan's Mount Fuji

By Maria Feijoo

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📷 Mount Fuji and salmon. Credit: Proximar Seafood

Proximar Seafood, a company backed by Norway's Grieg family and other investors, is a month away from starting the building of its first recirculating aquaculture system (RAS) facility for Atlantic salmon in Japan, close to the country's iconic Mount Fuji.

The construction of the first stage is expected to start in early 2020 and Proximar will have an initial capacity of just above 6,000 metric tons of 5-kilogram Atlantic salmon per year, Proximar's co-founder and managing director Joachim Nielsen told *Undercurrent News*.

Proximar expects to provide its first delivery of fish in 2023, said Nielsen, who controls 25% of the company. RAS equipment from Israel's AquaMaof Aquaculture Technologies will be used.

The Grieg family -- which controls the largest stake in Oslo-listed salmon farmer Grieg Seafood and is also involved in a big farming project in the Canadian province of Newfoundland and Labrador -- owns 33.33% of Proximar through two of its companies, Grieg Kapital and Kvasshogdi, Nielsen told *Undercurrent*.

Proximar is a follow-up of Ecosalmon, a former pilot project in Japan from the early 2000s that ceased its activity in the East Asian country and went back to Norway, today under the name of Daimyo. This company's CEO, Espen Aubert, owns 29% of Proximar and was together with Nielsen the initiator of the new project.

Helge Nielsen -- who has held several positions in the Grieg Group over the last 25 years -- also holds 7% of the company, while aquaculture veteran Bjorn Myrseth holds the remaining 5% through his company, Vitamar.

Proximar's owners have been financing the project, so far, but are now planning to raise around \$130 million in a combination of debt and equity to help developing its first stage and gradually build up to fully operational production. They are also working with Lighthouse Finance, an asset-backed lending firm focused on seafood.

"Lighthouse Finance has been involved in the project for a time. We believe that the involved partners in Proximar have all the skills and experience to make this case work. We know some of them for several years and have been involved in other projects with them. We believe that this will be a reference case also for the future RAS farming, and having Aqua Maof technology is a quality stamp," said Roy Hoias, CEO of Lighthouse.

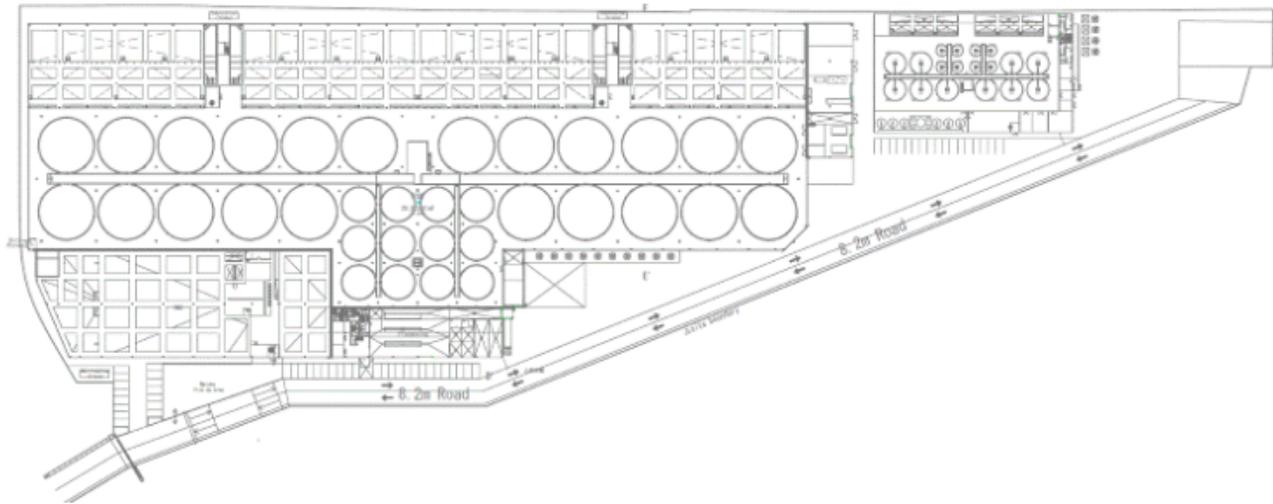


📷 Proximar's future RAS facility under construction.
Credit: Joachim Nielsen

"Groundworks have already started and a large amount of soil has been removed in the preparations for the installation of tanks. The groundwater well has also been drilled and water has been tested to our satisfaction," he said.

The company has already a letter of intent for a nearby land area of 150,000 square meters that is meant to provide higher production capacity in future stages of expansion.

"For the next years, we will spend our resources and keep all our focus on executing our plans successfully. Once the first facility is operational we will move into the next stage of expansion in the same area. Although we need our first facility up and running first, we have the second stage already in our plans," he said. "We will invest more time on it as soon as we set off this first project the right way".



📷 Layout and design of the Proximar site. Credit: Proximar Seafood

In late 2014, the firm started the process to identify the most suitable technology and location for fish production on land and decided to pursue its business plan based on RAS. After "thorough considerations of technology providers of RAS", the company selected Israel's AquaMaof as a supplier, he said. Since 2016, both firms have been working together to find suitable locations and good facility layouts.

In addition to a view to reducing transportation, shipping and logistics costs in producing fresh Atlantic salmon, "the location at foot of Mount Fuji is also an ideal starting point for a branding strategy since it is not only a landmark in the country but the area is also well-known in Asia because of its high-quality groundwater", Nielsen told *Undercurrent*. "Our fish will be farmed in it and we believe this will create a potential for export to the Asian market as well."

Considering the market and consumption levels of Atlantic salmon, the company also believes that the Japanese are probably one of the markets with the highest appreciation for fresh fish products in the world and that its ability to supply fish the same day it is harvested will be highly valued.

From their perspective, there are strong arguments to stay in the country for the planned expansion. "Together with a strong business environment and a stable legal framework in Japan we believe the abovementioned will let us compete with other Norwegian and



📷 Proximar's future RAS facility next to Mt Fuji currently under construction. Credit: Joachim Nielsen

Chilean suppliers by saving significant transportation and handling costs,” he said.

Other Asian RAS projects

Proximar is the latest in a series of RAS salmon projects underway in Asia. Earlier in November, *Undercurrent* reported that AquaAgro Projects -- a company based in Singapore backed by Israeli entrepreneurs -- has teamed with a Vietnamese group, Dong Nam Investment and Technology Development Company on a project called SEA Aquaculture.

The plan is to build a [10,000t Atlantic Salmon farm processing plant in Vietnam](#) to produce salmon for this country and the rest of Southeast Asia, and China. AquaMaof -- also an investor in the project with 10% -- will supply the equipment and technology needed for the project too.

Thailand’s Charoen Pokphand Group (CP) is also thinking about making a [move into RAS for salmon as well as shrimp in China](#), sources told *Undercurrent*. The plan is for three-to-five 10,000t RAS systems for salmon in different parts of China, as well as a smaller 1,000t-3,000t RAS facility for shrimp -- which would grow up to 200,000t if the facility proves to be successful.

The Thai giant is not the only company looking to build RAS facilities in China for salmon. 8F Investment Partners is also raising capital to produce [200,000t of salmon in RAS farms](#) in Europe, the US and Japan.

At the end of August, *Undercurrent* revealed another new planned RAS farm. Speaking to *Undercurrent* during the Trondheim, Norway-based AquaNor trade show, Vikings Label, a Norwegian startup, announced [plans for a RAS salmon farm in Saudi Arabia](#). Its CEO, Lukas Havn, said his firm planned to build a salmon farm with a capacity of 5,000t in the city of Jeddah, on the shores of the Red Sea.

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