

# ENRICH MONTHLY

MONTHLY BUSINESS & INNOVATION NEWS COMPILED BY ENRICH IN BRAZIL



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Dear Reader,

a warm welcome and thank you for your time and interest in our seventh edition of ENRICH Monthly.

Our August Edition presents various articles about how Brazil is focusing on innovative solutions by pushing for Internet of Things (IoT) and how it is supporting the development of IoT, embedded systems or cloud computing. It will not be possible to successfully realize these developments and projects unless the performance of the broadband infrastructure is enhanced. In accordance, the country is expanding the broadband infrastructure using optical fiber in the North and Northeast regions. As a result, the academic internet network is expanding its speed from 10 Gbps to 100 Gbps, which is a great news for academics as well as entrepreneurs located in both regions.

Equally important news for entrepreneurs and export firms was the approval of 281 ex-tariffs for import machines and equipment by the Brazilian Ministry of Economy (ME). The measure temporarily clears the Import Tax rates of 261 capital goods and 20 IT and telecommunications goods. The objective is to promote the attraction of investments to Brazil, relieving the investments directed to productive enterprises.

Indeed, the reduction of the tax burden on the imports coupled with recent trade agreement between Mercosur countries and the European Union will certainly foster and accelerate bilateral collaborations between European and Brazilian academic and business world. On this account, our Success Story monthly series introduces you to Sten Gunnar Johansson, who is a former CEO of Mjärdevi Science Park, Sweden. He has worked with development of science parks, incubators, and other areas of innovation and regional development for more than 35 years both in Sweden and abroad. He tells us how he and his colleagues established a cross-border matchmaking for Swedish and Brazilian SMEs. Sten Gunnar gives our readers his top tips for a successful internationalisation and elaborates on challenges that he faced on the road to building the Swe-Bra science park matchmaking project.

We hope you enjoy reading the 'ENRICH Monthly' and we are happy to receive your feedback via [email!](#)

All the best for you,  
ENRICH in Brazil Team



## From Secure Cloud & IT Services to Market Innovation Leadership

This year's Cloudscape Brazil took place on 15<sup>th</sup> and 16<sup>th</sup> July for the 6<sup>th</sup> year during the Congress of Brazilian Computing Society (CSBC) at the Centro Convenções Amazônia in Belém, Brazil. It is the place where businesspeople, public sector representatives and research scientists can connect with developers behind some of the most exciting developments in cloud technologies.

In recent years, Cloudscape Brazil has become the playground for other EU-BR initiatives SMEs that, together, have been developing and delivering ICT services with a positive impact in the transatlantic economy.

The active and engaged community resulted in 13 demos, 15 position papers, 6 posters and featured 35 different speakers including representatives of ENRICH in Brazil. The event focused on tackling expectations and future policy vision in ICT between Brazil and Europe, how to transform leadership in science into leadership in innovation and entrepreneurship, cloud as a generator for the next wave of technologies and how it shapes innovative IT developments and the ATMOSPHERE User Journey: new spectrum of trustworthy services usable by a diverse set of organisations, across different business sectors.

Read more at: [Trust-IT Services](#) & [ATMOSPHERE](#)



## EU Lifts Safeguards on Brazilian Steel Products

The European Union has removed Brazil's stainless steel and steel profiles from the list of products facing quotas to enter its market. This paved the way for Brazilian producers to compete for new business in the European Common Market. On 15<sup>th</sup> August, Brussels submitted to the World Trade Organization a plan to adjust tariff quotas that were adopted last year in the face of increased imports and trade diversion as a result of the US decision to slap surcharges on steel products. The withdrawal of safeguards for Brazilian steel profiles and stainless steel will make it possible for both products to increase market presence.

Read more at: [Valor](#)

THE DAWN OF  
DIGITAL PAYMENTS



## Wirecard supports Leroy Merlin's expansion in Brazil

July 30. Wirecard, the global innovation leader for digital financial technology, headquartered in Aschheim, Germany and Leroy Merlin have signed an MOU to expand the e-commerce business of the construction and home improvement specialist.

Leroy Merlin, which is headquartered in France and is present in 13 countries, is part of the ADEO Group. The group is the third largest player worldwide in the home improvement market.

As part of the cooperation, Wirecard will support the marketplace of Leroy Merlin in Brazil. The B2C marketplace provides a platform where both in-house Leroy Merlin brands and partner suppliers can reach shoppers. Present in Brazil with 41 stores and boasting a portfolio of 100 000 items, the recent overall revenue of Leroy Merlin in Brazil totaled almost USD 1.4 billion.

“As e-commerce in Brazil continues to boom, we are proud to be at the forefront of digital innovation for merchants,” added Sandra Meermann Hying, Member of the Board at Wirecard in Brazil.

Wirecard offers its unique marketplace solution to Leroy Merlin, which includes a split payment solution to manage payments and commissions for suppliers. In addition, sellers have their own digital account where they can track orders and payments, all from a single platform. Through a digital wallet, sellers can also pay bills and carry out P2P money transfers. Customer payments are protected thanks to the comprehensive risk management solution, which allows only authorized transactions to go through, thus increasing the conversion rate.

Read more at: [Wirecard](#)

## Dutch health and nutrition company is to reduce methane emissions in Brazilian beef sector

August 8. DSM, a Dutch health and nutrition company, is set to file for a Brazilian registration of its new feed additive that it claims can cut methane emissions in cows by around 30 per cent, as [Reuters](#) reports.

The methane inhibitor – 3-nitrooxypropanol also known as 3NOP – was developed under DSM’s 10-year long Project "Clean Cow". Methane gas, considered more potent than carbon dioxide, is responsible for more than half of a cow’s carbon footprint, the company says. 3-NOP can save 1 tonne of carbon dioxide equivalent per cow every year, according to DSM research, and

Nieuwland said the technology can help food producers feed a growing world population in a more sustainable manner.

DSM anticipates getting market approval for the product by late 2020 or early 2021, Nieuwland said during a visit to Brazil, where company executives are attending a greenhouse gas and animal agriculture conference. After the necessary approvals are obtained, the plan is to release the product globally, he said.

Read more at: [Reuters](#) & [Feed Navigator](#)

## BNDES starts releasing funds for IoT projects



The Brazilian development bank BNDES has disbursed the first funds under a program to finance pilot projects for IoT solutions in the health, cities, rural and industrial verticals.

The first call for the selection of projects took place in 2018, targeting health-related initiatives.

The bank authorized BRL 1 million (≈ EUR 221 500) in non-reimbursable resources, part of a BRL 2 million (≈ EUR 443 000) total budget, to finance a solution to monitor the oxygen given in treatment of patients with chronic pulmonary diseases.

Developed by Brazilian innovation center CESAR, the system has the potential to improve the health of thousands of people, prevent the waste of medical oxygen and reduce treatment costs, BNDES said.

Salvus, a local startup supported by Brazilian research and industrial innovation company Embrapii, which is linked to the ministry of science, technology, innovation and communications (MCTIC), also took part in development of the prototype.

Tests with a sensor coupled to the tube of oxygen cylinders will now be carried out in real environments with the participation of about 1 000 volunteer patients in hospitals or under home care over a period of 16 months.

Overall, the bank has BRL 15 million (EUR 3 360 000) earmarked to fund IoT projects.

The list of selected projects and related information about the call can be seen [here](#), in Portuguese.

Read more at: [BNamericas](#)

## Ministry of Economy clears Import Tax of 281 machines and equipment

The Secretariat of Foreign Trade and International Affairs (Secint) of the Ministry of Economy (ME) approved on 2<sup>nd</sup> August 281 ex-tariffs for machines and equipment without production in Brazil. The measure temporarily clears the Import Tax rates of 261 capital goods (BK, according to the Mercosur Common Foreign Tariff nomenclature) and 20 IT and telecommunications goods (BIT).

The reduction is contained in two Secint ordinances published today in the Official Gazette (DOU). The Ordinance No. 510 decreases from 14per cent to zero the rate of 261 BK, including 240 new and 21 renewals. Already Ordinance No. 511 defines 20 new ex-tariff for BIT, which will have the rate reduced from 16per cent to zero.

According to the Undersecretary of Commercial Strategy of the Executive Secretariat of Secint's Chamber of Foreign Trade (Camex), in 2019 alone a total of 1 189 ex-tariffs for BK and BIT were already granted. The objective is to promote the attraction of investments to Brazil, relieving the investments directed to productive enterprises.

The Secretariat of Industry, Commerce, Services and Innovation Development (SDIC) of the Ministry of Economy carried out the procedures and analyzes of the two ordinances in accordance with Camex Resolution 66/2014. The procedures use the new criteria introduced by Ordinance No. 309/2019 of the Ministry of Economy , which expand the possibility of ex-tariff concessions, still depend on SDIC regulation.

The ex-tariff regime consists of the temporary reduction of the tax rate on importation of capital goods (BK) and computer and telecommunication goods (BIT) - according to the Mercosur Common External Tariff (TEC) -, when there is no equivalent national production.

Currently, the Ministry of Economy has been promoting the reduction to zero, supported by the ex-tariff regime.

Without the application of this scheme, imports of BK have a 14 per cent import tax and 16 per cent of BIT.

Read more at: [Invest in Brazil](#)

## EU and USA compete over the Brazilian market of more than EUR 53 billion p.a.

The dispute between the United States and the European Union over the Brazilian market focuses on approximately USD 50.9 billion ( $\approx$  EUR 46 billion) a year excluding imports with low trade value, as the American Chamber Brasil (AMCHAM Brasil) reports in their study done on the subject matter.

"There is a significant direct competition between Europeans and Americans in the Brazilian market, especially in industrialized goods of medium and high added value," explains Abrão Árabe Neto, executive vice president and responsible for conducting the study of the AMCHAM Brasil.

"The trade agreement between Mercosur and the European Union will bring extra competitiveness to Europeans. The study shows how convenient and strategic it would be for Brazil and the United States to move forward with a deal [between them]," says the CEO of AMCHAM Brasil Deborah Vieitas.

Sectors with higher import tariffs in Brazil, according to the study, tend to register greater potential advantage relative to the EU, especially machines and equipment, chemicals, auto parts, pharmaceuticals, plastics, medical equipment, cosmetics, among others.

The total competition is currently divided into 55 per cent for the European Union (USD 32.5 billion  $\approx$  EUR 30 billion) and 45 per cent for the United States (USD 26.4 billion  $\approx$  EUR 23.8 billion).

In addition to the effects of tariff reduction, the EU – Mercosur agreement will reduce the non-tariff barriers and bureaucratic requirements faced by European products in the Brazilian market.

"These elements should contribute to the growth of EU exports to Brazil. Investment flows are also expected to increase due to greater trade integration and the positive prospects of the agreement," as the study reports.

Tariff preferences that will be enjoyed by the EU could also soon be acquired by other economies negotiating free trade agreements with Mercosur, such as EFTA, Canada, South Korea and Singapore. Brazil imported from these countries a total of USD 10.9 billion ( $\approx$  EUR 9,8 billion) in 2018.

Read more at: [American Chamber Brasil](#)



## Health tech continues to grow in Brazil



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Health tech company Feegow Clinic closed BRL 20 million (≈ EUR 4.43 billion) in funding with DNA Capital on 6<sup>th</sup> July . The startup seeks to provide system support to healthcare providers and institutions, offering solutions in everything from health records and scheduling, to telemedicine and business metrics.

Medicine is often the last area to be updated with the latest technology, but in Brazil it is transforming in leaps and bounds. According to the Global Startup Ecosystem Report, published by research group Startup Genome, health tech is one of the most promising areas for startups in São Paulo because Brazil is the largest healthcare market in South America. A whopping 87 of doctors have answered their patient's questions via WhatsApp and this "telemedicine" is expanding to include remote consultations and diagnoses.

Brazil's new data protection law puts special restrictions on healthcare data, explicitly stating that insurance companies cannot use data to inform employment decisions. The law also includes considerations for Brazil's elderly population, mandating that data be presented in terms that are "adequate to their understanding."

Nevertheless, Brazil's regulations are much more favorable to health techs than countries like the U.S., where HIPAA (Health Insurance Portability and Accountability Act) laws limit remote health monitoring and data sharing. A number of Brazilian startups, most notably LinCare, propose to use cloud sharing of biometric data, such as blood pressure and heart rate, to give elderly patients more autonomy in their day-to-day lives.

Read more at: [The Brazilian Report](#)

*...87 % of  
doctors  
have  
answered  
their  
patient's  
questions  
via  
WhatsApp*

...

## Brazil is pushing for smart cities



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The Brazilian government launched the National Strategy for Sustainable Smart Cities, which will create indicators and goals to foster innovation in Brazil's major urban centers. The National Secretary of Telecommunications and Digital Policies, Vitor Menezes, said a smart city is defined by "the use of innovative infrastructure to promote the well-being of local communities through four pillars: social, environmental, cultural, and economic."

During the plan's presentation, government officials laid out their first priorities: the installation of security cameras with facial recognition software, crop monitoring technology, systems to reuse rainwater, and urban mobility projects. "Brazil has an infrastructure problem. So we can't talk about smart cities before having the basics done," said the secretary.

Italian-British company Planet has announced bold plans to build ten smart cities in Brazil by 2022 (it is more accurate to call them 'smart neighborhoods', however). The pilot project (Laguna Smart City) was built in São Gonçalo do Amarante, in the northeastern state of Ceará. The project cost USD 50 million (≈ EUR 45.11 billion) on a land spanning 330 hectares.

Read more at: [The Brazilian Report](#)

## Brazil's enormous potential for legal tech companies

Brazil's Justice system is a behemoth. There is a backlog of 80 million (yes, million) cases, which command the expenditure of 1.4 per cent of the country's GDP on courts, judges, and public defenders. The number of lawyers is in the tens of millions and, every year, the national bar association puts 30 000 new lawyers in the market.

These numbers make Brazil one of the most promising markets for legal tech companies—which can mean two things: (1) helping facilitate the practice of law through technology, or (2) using technology to help consumers access legal expertise or access justice.

In 2018 alone, the number of legal tech startups in Brazil rose 240 per cent to 150, making it one of the fastest-growing markets for innovation. Last year, Brazil received the biggest innovation center for the law market in Latin America, the Future Law Innovation Center—which is supported by Thomson Reuters.

Brazil is considered to be a mature market for legal tech solutions—not only due to its sheer size. Since

2006, the Justice system has made strides in digitalizing cases. In 2010, the Superior Court of Justice became the world's first fully digital national court.

One area in which many companies are operating is in litigation between private parties. Brazil has a paltry settlement rate of just 17 per cent (in some U.S. states, that rate reaches 87 per cent). Legal tech companies can help push these levels up through data analysis. Two parties can more easily reach a settlement if they know the average figures for similar cases. Other firms focus on easy-to-understand legal counseling, helping users navigate the myriad documents and laws that form Brazilian bureaucracy.

This digital revolution in Brazilian law is a major threat to small firms, as writes Zoë Andrae, CEO of legal tech firm LECARE GmbH. "Small law firms will face great threats of being displaced by legal tech innovations that automate and replace activities that make up the core of [their] business."

Read more at: [The Brazilian Report](#)



## Agro-based business being discussed by IOT

The Brazilian Internet of Things Forum (IoT Forum) will have its fourth IoT Brazilian and Latin American Congress from 17<sup>th</sup> through 18<sup>th</sup> September, from 11 AM to 8 PM, at the Pro Magno Event Center in São Paulo. The occasion will be held related to the Technology Hub Brazil reasonable.

The principle topic of the discussion will be the Internet of Things (IoT) and digital physical frameworks, with a few talks regarding the matter. Agribusiness including the IoT will likewise be featured, under the coordination of Reinaldo de Bernardi, the chief of the Center for Innovation in Agribusiness (CIAG).

As per João Neves Fernandes, the IoT Forum's executive, "The board will concentrate on new improvements in network in the field, which has consistently been one of the bottlenecks that prevented the organization of Internet of Things arrangements, new instruments for development, expanded efficiency and item quality."

Bernardi's talk, titled "Using Spectrophotometry in Agriculture: Experimental Results," will address the developing appropriation of accuracy farming, the advancement of symptomatic frameworks and the required investigation. "The talk exhibits the utilization of spectrophotometry and AI as instruments for finding and examination of soil and leaf supplements," he clarifies.

As indicated by Fernandes, the IoT Forum made its Cyber Security Group IoT (CSG-IOT) this past March, in collaboration with national and worldwide specialists, to lead studies and discover explicit security answers for the IoT, with an eye on market requests all inclusive. "The CSG-IOT will be in charge of the board on innovative advances and the expansion of IoT frameworks," he says.

Among those affirmed to go to the occasion are Fabio Martinelli, the examination chief of the Italian National Research Council and a pioneer of digital security ventures, and Pierre-Henri Cros of France's Recherche en Informatique Institute of Toulouse. The topics to be talked about will incorporate Industry 4.0 and the effects and open doors for little and medium-sized organizations; equipment, programming and system models for digital physical frameworks, the IoT and Industry 4.0; how to embrace IoT arrangements; advanced change cases; global cooperation encounters (joint activities in Brazil, Europe and the United States); and installed frameworks.

Read more at: [IT Technology News](#)



## Brazil launches first phase of 100 Gbps fibre project in Northeast

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Brazil's Ministry of Science, Technology, Innovation and Communications, in partnership with the National Education and Research Network (RNP), has launched the first phase of the Ciencia Conectada programme, which will expand the broadband infrastructure using optical fibre in the North and Northeast regions. The academic internet network is expanding its speed from 10 Gbps to 100 Gbps, benefiting federal universities, federal institutes and research units, in addition to fostering economy and local development.

The first phase of the programme will reach 77 locations, six states, 16 cities, and 64 federal, state and private institutions this year. By 2021, the 16 metropolitan networks that will allow the connection of 1 317 schools to the internet will be completed.

Read more at: [Telecom Paper](#)

## Green Climate Fund enables BNDES

The Brazilian National Bank for Economic and Social Development (BNDES) has been accredited to the Green Climate Fund (GCF).

The GCF was created in 2010 by the United Nations Framework Convention on Climate Change to enable projects that respond to the challenges of climate change in developing countries. The fund currently has USD 10.3 billion (≈ EUR 9.29 billion) in grants from over 40 countries, committed to over 100 approved projects. New contributions from donors are envisaged and, in view of commitments made by countries in international climate agreements, the GCF is expected to become the principal international mechanism for financing climate-related projects.

BNDES has been qualified in the highest socio-environmental risk category A, which allows the Bank to access GCF resources to finance or support investments of various sizes via equity, guarantees, non-repayable resources or loans. The fund's rules also provide resources to prepare studies and projects to adapt to climate change and mitigate its effects.

The initiative has 88 accredited institutions, of which only 24 have been qualified in the same category that the BNDES starts to integrate – among them are the German development bank KfW, the French Development Agency (AFD), the Andean Development Corporation, the Inter-American Development Bank (IDB), and the World Bank.

Read more at: [BNDES](#) & [Bio\\_Energy International](#)



## Brazil must increase its participation in large-scale international scientific collaborations

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Three of the most significant recent scientific breakthroughs – the detection of the Higgs boson in 2012, the first direct observation of gravitational waves in 2015, and the first image of a black hole in 2019 – have one thing in common: they all resulted from major collaborative projects involving researchers in several countries, including Brazil.

This kind of international cooperation is set to become more frequent in the years ahead, as a number of mega-telescopes and large research facilities begin operating in different parts of the world.

If the Brazilian scientific community is to contribute effectively to projects such as these, it will need stable sources of funding, according to the participants in a round table on major cooperation projects held on July 23, 2019, during the 71<sup>st</sup> Annual Meeting of the Brazilian Society for the Advancement of Science (SBPC).

“It’s hard for us to sign agreements to participate in these large-scale international scientific collaborations because of the lack of stability in funding for the experiments,” said João Ramos Torres de Mello Neto, Full Professor at the Federal University of Rio de Janeiro (UFRJ) and a speaker at the event, which took place from 21<sup>st</sup> to 27<sup>th</sup> July in Campo Grande, Mato Grosso do Sul. The theme of this year’s meeting was “Science and innovation at

the frontiers of the bioeconomy, diversity and social development”.

“In the long run, the Brazilian scientific community’s participation in these large-scale international collaborations has been based strongly on the projects of individual researchers or small groups, and most of the funding is short-term,” Mello said.

To change this situation, he went on, Brazilian participation in international collaborations must be funded as a matter of state policy involving not just agencies subordinated to the Ministry of Science, Technology, Innovation and Communications (MCTIC) but also the Ministries of the Economy and of Industry and Foreign Trade. This is because Brazil’s participation in such projects is strategic for all these sectors.

“Brazilian involvement in these major scientific projects would yield high returns, extending knowledge, developing human capital and enabling our companies to acquire or develop new technology,” Mello said.

Given that these projects set out to answer questions on the knowledge frontier, they require the development of new technology, mostly by researchers who collaborate with companies, explained Reinaldo Ramos de Carvalho, a professor at Cruzeiro do Sul University (UNICSUL) in São Paulo.

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As an example, he mentioned the charge-coupled device (CCD) image capture sensors used in digital cameras and smartphones. CCDs were invented in the late 1960s for use in astronomy. As sensitive detectors of photons, they are ideal substitutes for film or photographic plates in telescopes.

“Synergy between science and technology is imperative in these large-scale international collaborations, which therefore need participation by the private sector,” Carvalho said.



### Project leadership

The creation of opportunities to develop technology for industry in São Paulo State is one of the criteria FAPESP takes into consideration in analyzing proposals to participate in large international collaborative projects, according to Roberto Marcondes Cesar Junior, Full Professor at the University of São Paulo (USP) and a member of FAPESP’s Adjunct Panel for Physics, Mathematics, Chemistry and Engineering.

Other criteria for approval are project leadership by the researchers who apply for funding and their involvement in the development of scientific

instrumentation for the projects.

“FAPESP believes the researchers it supports should be going after more than the scientific research they’ll perform in these large international collaborations,” Marcondes Cesar said. “They should strive to be leaders and protagonists and, whenever possible, to get involved with instrumentation and the creation of technological development opportunities for industry in São Paulo State.”

For example, he went on, researchers at USP’s Engineering School (POLI-USP) are project leaders in this sense. In a project supported by FAPESP, they designed and developed a chip called SAMPA for installation in the detection system to be used by ALICE (A Large Ion Collider Experiment), one of four major experiments at CERN’s Large Hadron Collider (LHC).

Additionally, with FAPESP’s support, researchers at the University of Campinas (UNICAMP) have developed a light detector called ARAPUCA for use in the Deep Underground Neutrino Experiment (DUNE).

DUNE is an international science collaboration that seeks to discover new properties of neutrinos, elementary particles with very little mass that travel at near light speed.

“These are all high-level Brazilian projects to develop scientific instruments, and they’re doing very well,” Marcondes Cesar said.

By Elton Alisson in Campo Grande (Brazil)

Read more at: [Agência FAPESP](#)



## CORNET Call for Proposals for international Collective Research projects

Twice a year, CORNET issues Calls for Proposals for international Collective Research projects involving at least two different countries/regions. The calls follow a bottom-up approach: every topic that supports SMEs in their innovation efforts is welcome.

CORNET is short for Collective Research Networking, a transnational network which combines funding programmes of several different countries and regions in order to realise international research projects for the benefits of SMEs. At least two countries have to be involved in one research project which needs to follow the rules of pre-competitive Collective Research. **From now on project consortia can cooperate also with partners from Brazil. The Brazilian funding organisation EMBRAPA recently joined CORNET and is participating in the recent edition of the call.**

Applying for funding is easier than you might expect because CORNET is designed to provide low barriers and bureaucratic procedures so you can focus on the reason you are applying: to perform an international Collective Research project to solve common SME problems.

A CORNET project consortium consists of three pillars in each participating country/region:

1. SME organisation, association or cluster (depending on national structures),
2. research performer and
3. SME user committee with a minimum of 5 SMEs per country/region (the required number might differ depending on national rules).

One of the participating countries needs to take the lead as project coordinator and has to submit the joint proposal within the stated deadline.

Project consortia led by SME organisations like associations, clusters, federations or ad hoc groupings of industrial enterprises from at least two different CORNET countries are invited to submit proposals for joint Collective Research projects. The application process consists of two parallel steps: 1) Submission on international CORNET level & 2) Submission on national/regional level.

**Deadline full proposals: 25.09.2019**

For more information visit: [CORNET](#)

## BAYLAT & FAPESP sponsoring scientific workshops

For the fourth time, the Bavarian University Center for Latin America (BAYLAT) and the Foundation for Research Promotion in the State of São Paulo (Fundacao de Amparo à Pesquisa do Estado de São Paulo - FAPESP) are funding scientific workshops in the Free State of Bavaria and the State of São Paulo.

The program for the FAPESP / BAYLAT workshops addresses all disciplines and is open to the public.

The workshops serve to intensify and expand cooperation in the fields of science and research in the partner regions of Bavaria and São Paulo and, in particular, promote junior researchers.

The following costs can be paid for the workshop participants from the subsidies:

- Travel expenses (airline tickets in economy class);
- Travel expenses within the federal state of São Paulo or Bavaria;
- Hotel costs;
- Day money packages;
- Organizational costs (up to EUR 5 000) - only valid for BAYLAT.

**Application deadline: 10.10.2019**

Applications must be submitted via: [OASys](#)

For more information visit: [BAYLAT](#)



# Establishing Networks for Sustainable Collaboration between Brazil and Sweden: Challenges and Opportunities

By Alicia Shelley, IASP

*Málaga. Based on an interview with Sten Gunnar Johansson for ENRICH in Brazil*

This month, the ENRICH Monthly interview series spoke with Sten Gunnar Johansson, currently Chairman and CEO at SGJ Consulting AB, previously CEO of Mjärdevi Science Park, Sweden. Sten Gunnar has worked with development of science parks, incubators, and other areas of innovation and regional development for more than 35 years both in Sweden and abroad, and also has been involved in different projects in Brazil for approximately 15 years.

His background in this industry started off with him working in incubation, in Linköping (Sweden), and then this led to science parks, which were beginning to emerge in the early 80's. Mjärdevi Science Park was one of these early parks. To start with, there was not much development for a science park specifically, it was a mix of activities from the city and the university, but then in the beginning of the 90's Mjärdevi Science Park was formed officially, with Sten Gunnar as CEO.

His involvement in a Sweden-Brazil collaboration was sparked initially by the Swedish aerospace and defence company, Saab. Saab has aircraft production in Linköping and Sten Gunnar was invited to travel around in Brazil with them to

learn more about the projects they were working on in the various companies, and see the level of the startups. The Swedish national agency for innovation Vinnova was interested in setting up activities and relationships between organisations in Brazil and in Sweden, so this was all part of the original reason for forming the project Swe-Bra (2010-2015). It eventually came about that in 2013 Saab would successfully bid for the F-X2 Programme to replace the jet fighter fleet operated by the Brazilian Air Force (FAB), and in October 2014 a contract was signed with the Brazilian government for the development and production of 36 aircraft.

## Matchmaking project between Swedish and Brazilian innovative clusters

The initial project idea was a matchmaking process, a type of partner search in order to support SMEs' activities in a new market. A selected group of Swedish innovative clusters (science parks, innovation centres, incubators), were interested in bringing about cooperation with Brazilian counterparts (science parks and incubators). The idea was to match these organizations, and with the development of mutual interests/cooperation/experience, create possibilities for small and medium sized companies (from both sides) to reach new markets and new strategic cooperation.

## Success Story



© Sten Gunnar Johansson

Sten Gunnar Johansson

Sten Gunnar explains that Sweden has always had a big interest in internationalisation as it has a relatively small domestic market, and many Swedish startups are international (or try to be) from day one. However, he contrasts this to the Brazil side, where the situation was very different. Having such a huge domestic market, as Sten Gunnar and his project partners found, Brazilians initially were not so interested in internationalisation. However, the discussions and subsequent deal between the Brazilian government and Saab meant that the Brazilians became interested in Sweden and were keen to get in contact not just with Saab but other Swedish companies. This was not the first time that Swedish companies were interested in Brazil, or vice versa. As Sten Gunnar points out, there was already a huge number of big Swedish companies dating back many years located in Brazil, but these were very big and the Swe-Bra science park matchmaking project was focused more on the smaller companies, the startups.

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**A series of bilateral missions**

The matchmaking process started with a benchmarking mission from Sweden to Brazil where there were approximately 10 Swedish STPs/incubators involved, and subsequently there was a follow-up by the Brazilian organisation ANPROTEC (Brazilian Association of Science Parks and Business Incubators) with a mission to Sweden some months later. After this there were a number of other missions to Brazil and to Sweden to develop sustainable relationships and essentially get to know each other. Based on the successful missions and ongoing talks, Vinnova then created a Call for SMEs to go to Brazil, and as a result of all this there was also a strategic MOU signed in 2013 by ANPROTEC and SiSP (Swedish Association of Science Parks).

However, Sten Gunnar underlines that all these kinds of matchmaking activities in the end really depends on the individual person, or people involved; it is not an automatic process. In work contexts, as in life in general, sometimes you like some people more than others, and when you change people in the organisations, sometimes the ongoing collaboration agreements or relationships can change too. As Sten Gunnar puts it, “we are living in a people changing world” where new people are frequently arriving, and they found that some of the relationships and connections that were created during Swe-Bra died when new people came in. Some survived, but unfortunately after the early intense work in connecting the organisations, there was some fading out and only a few stayed in a relationship, Mjärdevi Science Park being one of those that stayed for a long time. In their case strong connections had been made, but Sten Gunnar also suggests that it may also have been

due to the fact that they were the same people dealing with each other throughout the process. The incubator in Uppsala, Karolinska Science Park, and Sahlgrenska in Gothenburg were others who also maintained their links for a long time, and who had companies within these organisations travelling to Brazil to investigate the possibility of doing business.

As Sten Gunnar continues, it was due the project focus which was on so-called high-tech businesses (IT and related sectors) in both countries. “People in this field were relatively similar across the world, allowing for easy connections and mutual understanding,” says Sten Gunnar.

He recognises the importance of having respect for other countries



**Successful connections and relationships with likeminded people**

There were some difficulties along the way. Although there was a lot of positive experiences taken from this project, it wasn't an easy way for companies to do business in Brazil, as they found that you need to be connected to a company there to do business, and this was something that they didn't realise from the beginning. There were also some language barriers, as Swedish people speak English quite fluently, but that wasn't always the case for Brazilians. Despite some cultural differences, there was no clashing or any cultural problems encountered.

and the way they do business, and what was of significant help for the Swedish companies interested in Brazil was that they had the opportunity to talk to other Swedish companies who were already established over there (50-100 companies) and many discussions took place on how to do business in Brazil, which was extremely useful. As well as having Brazilian insights on how to proceed, they discovered that it can also be helpful to have fellow Europeans sharing their experiences.





**The distance between Europe and Brazil eventually became a drawback**

One thing that the Swe-Bra project observed was that despite the Call informing companies that this opportunity was available and many showing interest, there was then a high rate of companies who had some second thoughts because of the logistics and distance away from Brazil. Even though they were keen in principle to start business in Brazil, the sheer distance and the time it takes to get there made them think twice.

To date, none of these connections from the Swe-Bra project are active, but Sten Gunnar has no

doubt of the significant impact it had on Swedish companies, and in opening their eyes to this new market and opportunities. Even if they haven't started doing business yet, Brazil is on their map which is an important result, and of course the experiences that the companies had, getting to know a lot of things about the Brazilian market and all the work that needs to be done beforehand is very valuable. No Brazilian companies came to Sweden (which at the end of the day is a very small market), but what it did do was open up their minds to coming over to Europe.

Following the Swe-Bra project during 2014-2016 the Swedish

national agency Vinnova financed a number of Sweden-Brazil pre-studies, mainly in the environmental sector. In these pre-studies there were partners from both countries and involved exchange of technical knowledge, interaction between universities / research institutes / companies in Brazil and Sweden, mutual visits, active use of products developed in Sweden and Brazil, and reached a better understanding of way of thinking. This was funded in Brazil by Petrobras through Rede Temática Proclima, and Vinnova in Sweden.



Mauricio Guedes, former Director of the UFRJ Science Park in Rio de Janeiro, visiting Linköping in 2014 as a part of the Swe-Bra project. While in Linköping he "tested" the Saab Jas 39 Gripen, which had recently been sold to Brazil from Saab in Linköping.

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**Science parks can be great partners for internationalisation**

Sten Gunnar recommends science parks as a place to start for starting out with setting up business in another country. They are better than many other options, as companies need an organisation that can help them and can understand the problems of startups and small businesses, and science parks are good at that, as well as having a range of formal and informal contacts which are of use to these companies coming to a new country.

He underlines that this is not only in Brazil, but for any country, a science park is an excellent entrance point for the companies. As well as the contacts they also offer services and can assist with getting legal or financial advice. This is often linked to science park soft landing programme (also see ENRICH in Brazil partners) and so they are used to providing this kind of support that companies need.

Sten Gunnar concludes that “in the world of science parks and areas of innovation we have a lot to give to colleagues and a lot to

get. We are among equals when we meet”. He explains that that is why he considers that the project was so educating and beneficial for development for everyone involved, resulting in new contacts and collaboration between people, science parks and companies.

*We thank Sten Gunnar very much for sharing his valuable experience and being an “Ambassador” for increasing scientific and technological cooperation between Europe-Brazil.*

***Top tips from Sten Gunnar for going international:***

1. *Ask for help. Contact people who have done it before.*
2. *Contact a science park nearby where you are or where you would like to do business, they can most probably help you with matchmaking.*
3. *Find a partner in the new country, they know how it (the system) works.*
4. *Use international associations like IASP to find a contact point in a new country.*
5. *Go for it!*