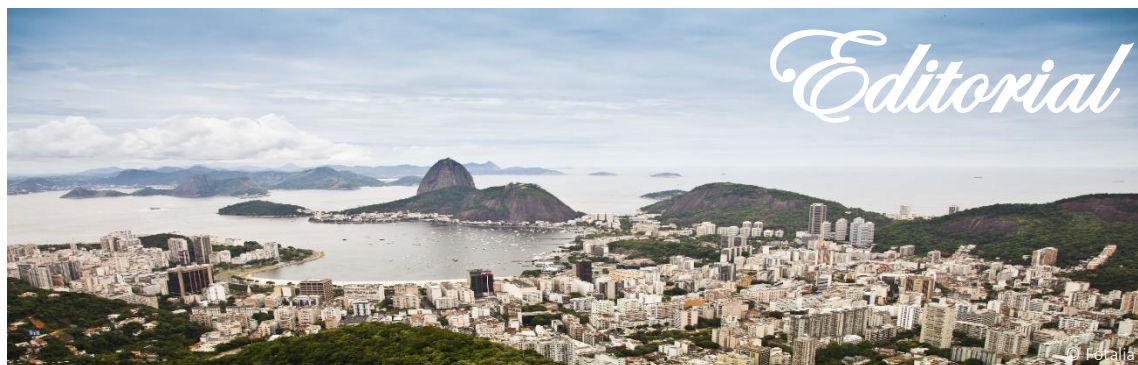


ENRICH MONTHLY

MONTHLY BUSINESS & INNOVATION NEWS COMPILED BY ENRICH IN BRAZIL



Dear Reader,

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

In recent months, we started to understand what **international cooperation** between Europe and Brazil means and how ENRICH can foster, facilitate and support it. So far, we made a big step towards finding suitable solutions for the challenges you may face during your journey to the perfect cooperation. We understood, that **each experience is individual**, but there are common obstacles all of you face at one stage or another – that is the point where ENRICH in Brazil is supporting you!

With 'ENRICH Monthly' we would like to accompany you along the way to a successful international teamwork. On a monthly basis the ENRICH team wants to provide you selected and focussed information of the Brazilian and European cooperation in the area of **science, technology and innovation**, gathered in the flood of data which is overloading our lives on a daily basis.

Special attention in the first edition of the 'ENRICH Monthly' must be given to the interview with Prof. Amancio, a Brazilian born scientist working at the Technical University of Graz, Austria, who shared valuable insights about his individual way to a **successful cooperation between Europe and Brazil**. To be successful he emphasized in particular, that regional knowledge and personal connections are the key for a fruitful cooperation with Brazil. We believe he is right - bringing people and ideas together by building and establishing a **European and Brazilian Network** is the main focus of ENRICH in Brazil and the key for innovation itself.

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



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Edifício Armando Monteiro Neto,
St. Bancário Norte Q. 1 BL I - Brasília,
DF, 70040-010 Brazil
www.brazil.enrichcentres.eu
brazil@enrichcentres.eu



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Bolsonaro Uses Davos Speech to Appeal to Big Business

Brazil's new President Jair Bolsonaro threw out the welcome mat for big business and foreign investors on January 22nd, telling a summit of CEOs in Davos that his government would make the country one of the top 50 in which to do business.

Bolsonaro said he would work to open up Brazil's relatively closed economy, reduce and simplify taxes, privatise state companies and give his new justice minister the tools to tackle corruption.

"We enjoy the credibility to carry out reforms that we need and the world expects of us," Bolsonaro told the Davos audience.

"We will reduce the tax burden, simplify tax rules and make life easier for those who want to produce, do business, invest and create jobs," he said.

Bolsonaro vowed to restore macroeconomic stability with fiscal discipline, what includes an upcoming pension reform, his biggest challenge to controlling a gaping budget deficit.

Read more at: [The New York Times](#)



Wikicommons

Brazilian Exports in 2018 Were the Highest in Five Years

The Brazilian trade flow, which is the sum of exports and imports, grew 13.7% in 2018. Exports reached US\$ 239.5 billion while imports registered US\$ 181.2 billion. The trade balance, the difference between the two operations, was US\$ 58.3 billion, second best performance since 1989. The data were published today by the Ministry of Economy, which will continue with the periodical disclosure of official statistics Brazilian foreign trade.

In 2018, exports grew 9.6% and recorded the highest figure of the last five years. Imports increased by 19.7% and reached the highest value since 2014. The trade flow was US\$ 420.7 billion, surpassing US\$ 52 billion in the result of 2017 and reaching the highest value since 2014, when it amounted to US\$ 454 billion.

Brazilian exports performed positively for all its main commercial partners: China (US\$ 66.6 billion, up 32.2%); European Union (US\$ 42.1 billion, +20.1%); and the United States (US\$ 28.8 billion, +6.6%). Argentina is Brazil's main trading partner in Latin America, but exports to that destination (US\$ 14.9 billion in 2018) fell 15.5% compared to 2017.

The main Brazilian trading partners in imports correspond to those of exports: China (US\$ 35.5 billion, + 26.6%); European Union (US\$ 34.8 billion, +7.9%); United States (US\$ 28.9 billion, +16.1%); and Argentina (US\$ 11.1 billion, +16.7%).

Read more at: [InvestExportBrasil](#) (in Portuguese)

ArcelorMittal to Build its First Ever Desalination Plant in Brazil

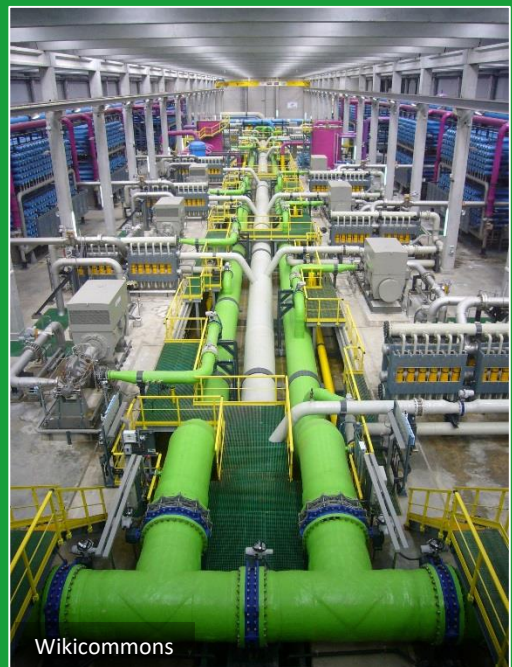
ArcelorMittal SA, the world's largest steelmaker, is set to build its first-ever desalination unit in Brazil to handle unforeseen water needs at its plant in the eastern state of Espírito Santo.

According to the company's CEO, Benjamin Baptista Filho, the desalination plant will be the first in Brazil to operate exclusively with seawater. The plant will use reverse osmosis technology and consume electricity produced by the steel mill itself.

The planned investment is about 50 million reais (\$13.32 million) and the project should start operating in two years.

Read more about the topic at: [Reuters](#)

In an initial module, the plant will be capable of desalinating 500 cubic meters of sea water per hour.



Wikicommons

Boosting the digital interconnectivity between Europe and Latin America

Wikicommons

New Data Highway Will Bring Europe and Latin America Closer

The contract to construct an optic fiber cable running under the Atlantic Ocean that will connect Latin America and Europe (from Portugal to Brazil) is now in force. By 2020, the cable will provide high broadband connectivity and boost business, scientific and cultural exchanges between the two continents.

The cable will boost business exchanges and enable companies in Europe and Latin America to further develop a data economy, building on existing cooperation, for example in the fields of the Internet of Things and High Performance Computing. As a direct link between the two continents without intermediate connection points, it will also provide high levels of data privacy.

The initiative, driven by the BELLA (Building the Europe Link to Latin America) Consortium, also supports improved digital interconnectivity between Latin American countries, and will contribute to regional and inter-regional integration. It will underpin the EU-CELAC (Community of Latin American and Caribbean States) partnership by enhancing cooperation under the EU-CELAC Action Plan, notably on interconnectivity, science, research, innovation, and technology, as well as higher education. The cable will

also boost connectivity to Madeira and Cabo Verde.



Image: Whole extension of the new cable between both regions

More information about the initiative can be found at: [StartUp Europe News](#)

Five Entrepreneurship Hubs in Brazil That you did not Know About

Where do the most innovative startups in Brazil come from? In the last 20 years, some regions have consolidated as important centers. They are places where a set of factors - labor, market, capital, universities, public power - provides the ideal conditions for the emergence of new business, mainly technology based. Among those, São Paulo, Florianópolis, and Belo Horizonte are to be highlighted.

But there are other regions not always considered poles of innovation in Brazil, but that have been achieving important results - and revealed many successful startups. Check out some of them:

1. Rapadura Valley (Fortaleza – CE)

Structure: Many startups are born in the various innovation centers around the city, such as Hubine (maintained by Banco do Nordeste) and ICC Biolabs (by the Ceará Cancer Institute). There is also an extensive network of local coworkers - about 70 - and some accelerators, such as Casa Azul and Wave.

2. UberHub (Uberlândia - MG)

Structure: The ecosystem brings together 160 players, such as companies and educational institutions. Algar maintains a private science and technology institute,

Brain, and a coworking structure, run by the community of startups Colmeia. There is a representation of Singularity University, Silicon Valley's entrepreneurship school - the first in Brazil outside capitals.

3. Sanca Hub (São Carlos – SP)

Structure: Although it has less than 250.000 inhabitants, the city has two university campi (USP and UFSCar) and a CNPq technology park, ParqTec. Inaugurated this year, Onovolab is considered one of the largest independent centers of innovation in the country.

4. Pinhão Valley (Curitiba – PR)

Structure: Pioneering initiatives like the creation of a public coworking and of space makers by the city hall mark the ecosystem. The best known startups are concentrated in the central area of Curitiba, near the Guadalupe Terminal. Now, the municipal administration increases its efforts to transform the neighborhood Rebouças into an innovation pole.

5. Join.Valle (Joinville – SC)

Structure: Part of the ecosystem emerged around the headquarters of the former Datasul, a software company bought by Totvs in 2008. Another part was developed in the Softville incubator, which will turn 25 next year. Joinville will gain a new private technology park (ÁgoraTechPark) in 2019.

Read more about these hubs and companies at: [PEGN](#) (in Portuguese)

€1.75 Billion Public Support to Joint Research and Innovation Project in Microelectronics

The European Commission has found that an integrated project jointly notified by France, Germany, Italy and the UK for research and innovation in microelectronics, a key enabling technology, is in line with EU State aid rules and contributes to a common European interest.

The four Member States will provide in the coming years up to €1.75 billion in funding for this project that aims to unlock an additional €6 billion in private investment. The project should be completed by 2024 (with differing timelines for each sub-project).

The integrated research and innovation project will involve 29 direct participants, headquartered both in and outside the EU. They are mostly industrial actors but also two research organisations, carrying out 40 closely interlinked sub-projects. These direct participants will work in collaboration with a large number of partners, such as other research organisations or small and medium-sized enterprises (SMEs), also beyond the four Member States.

Read more at the [European Commission Website](#)



Faster, Easier and Environmental Friendly Transportation in the Future!

by Berna Windischbaur, FFG.

Vienna. Based on an interview with Prof. Amancio for ENRICH in Brazil.

The ENRICH in Brazil interview series for ENRICH Monthly starts with Prof. Sergio Amancio, a Brazilian born scientist living in Graz, Austria and working at the Technical University of Graz. The purpose of this interview series is to share the stories of people and organizations that have established successful scientific and technological cooperation between Europe and Brazil.

“I wanted to be a scientist and I am very glad I became one!”

Born and raised in Santo André, in São Paulo state, Sergio Amancio has been living in Europe for more than 17 years now.

After he graduated from the Federal University of São Carlos with a BS degree in Materials Engineering (major in Polymers) and a MSc degree in Metallurgy (major welding technology) he received a scholarship from Helmholtz Institute, in Germany for his MSc degree which was followed by a PhD in Metallurgy from Hamburg University fully supported by the Brazilian -National Council for Scientific and Technological Development- CNPq. As researchers always have to “follow the money”, grants he received

throughout his academic career brought him to Europe; first to Germany, then to Austria. Why Germany? Because German Universities were dominantly participating in all education fairs in Brazil, he says.

First lesson: if you want to be successful in international cooperation be mobile and be visible!

He came to Austria in 2018 when he received the BMVIT Endowed Professorship for Aviation at the Technical University Graz, funded by the Austrian Ministry of Transport and Innovation (BMVIT) and the Austrian industry (voestalpine, Diamond Aircraft, TCM International and Fuchshofer). It is a unique model of combined public and private funding for a duration of 5 years. After this time, the University takes over the costs of the Professorship. This is a good model for nucleating excellence centers in certain applied science fields, he says. Together with the industrial partners that pledged funding to the University they work on new fundamental scientific and engineering topics according to the specific needs/interests of the industry.

Having owned 20 patents and with 15 patent applications in progress, he is passionate about inventing new materials and manufacturing techniques

that could increase the quality of our lives. But how?

“...Back in 2007 when I finished my PhD, due to the new energy policy in Europe, there was a need of new materials, especially in the transport sector, to improve the autonomy of the transport systems and reducing the CO2 emissions”. Since then he has been working on hybrid structures in the area of joining and additive manufacturing, which combines composites and metals. Environmental friendliness comes from using recyclable materials without risking safety standards.

“It was an emerging technology field and it was not possible to maintain a cutting edge research without infrastructure and sustainable funding in Brazil right after the conclusion of my PhD”. According to Mr. Amancio, long term funding is crucial for research, especially in such emerging topics. Engineering education is very solid and strong in Brazil but the practical side of it still under developed, says Prof. Amancio. The German research centers in that sense provided a strong infrastructure for his academic development as well as an opportunity to practice his knowledge in the applied science.

“I want to pay my country back for the good education they have provided me”

Although he has been away from Brazil for almost two decades and settled in Austria he still keeps his ties to his University and major industry organizations. He has supervised more than 40 Brazilian MSc and PhD students in Germany and Austria and he is keen to support the establishment of new linkages between Europe and Brazil. Together with Styrian Clusters, he organized a visit to Austria from EMBRAER, a multi-industry aircraft producer and headquartered in São José dos Campos, São Paulo. In summer 2020 he has planned the organization of a short term staff exchange with his home University in Brazil.

The infrastructure and funding in Brazil is currently not

enough to make cutting edge research in emerging fields, says Prof. Amancio. Nevertheless, he is optimistic. After serious budget cuts since 2016 he believes that Brazilian science is coming back on his feet again. Especially CAPES’s and CNPq’s support for graduate students and Post Docs on both outgoing and incoming directions contributes to the development of science through international cooperation. Brazilian students must carefully follow these opportunities but above all, they have to invest in learning foreign languages!

Regional knowledge and personal connections are key for successful cooperation with Brazil

“Unfortunately, Europe knows little about Brazil’s science and innovation capacity. We have to bring students, scientists and companies together and ask for support from the decision makers to achieve that. Educational fairs, company fairs, delegation visits are important mechanisms that Europe and Brazil should mutually use on a bigger scale”. Prof. Amancio emphasizes the importance of the “personal touch”. “For Brazilians, as part of our culture personal connection and face-to-face meetings are very important”. Brazil, on the other hand, should continue to support its well-educated engineers and scientists to improve their knowledge in applied science as well as developing themselves in emerging topics by increasing internationalization opportunities.

Finally, a few words about science in Austria: According to Prof. Amancio he was surprised to see so many innovative companies in Austria and he suggests to putting more emphasis on marketing their technology/product on a European and international scale.

We thank Prof. Amancio very much for his valuable comments and being an “Ambassador” for increasing scientific and technological cooperation between Europe-Brazil.

Useful Links about Austria

- [RIO Report Austria 2017](#)
- [OEAD: Austrian agency for international mobility an cooperation in education, science and research](#)
- [Austrian Database for Scholarships and Research Grants Austrian Science Fund](#)
- [Austrian Research Promotion Agency](#)

A Glimpse on Bolsonaro's new Government Composition

With the new Brazilian government in charge since the first of January, the composition of ministries and their respective ministers have changed considerably. By merging the function of some old ministries together, Brazil's president, Jair Bolsonaro, reduced the total number of ministries from 25 to 22.

The new ministers chosen follow the general direction given by Bolsonaro on his ideas about STI policies and stimulation of entrepreneurship and innovation in Brazil. Among those, the president highlights the creation of technology hubs to promote partnerships among companies and universities, following the example of countries like the USA, South Korea, and Israel, and the creation of research centers for new materials such as graphene and niobium.

Check below some of the most important names for the Brazilian economy and business relations and the main strategies and policies foreseen for each!



Paulo Guedes
Ministry of
Economy

Economist graduated from the Federal University of Minas Gerais, it was in the United States that he came closer to economic liberalism, of which he is adept today; in the 1970s, went to the country to make his PhD on fiscal policy at the University of Chicago.

Guedes will lead the new Ministry of Economy, a core administrative division of Bolsonaro's executive structure. It comprises tasks from several former ministries, including Finance, Planning, and parts of Labor, as well as the MDIC (Industry, Foreign Trade, and Services).

Guedes plays a crucial role in Bolsonaro's government, being called his 'economic guru'. He plans to reduce the influence of the Brazilian state over businesses through the [privatization of several public companies](#), strengthening the country's private sector. His liberal economic ideas strongly show the direction adopted by the new government in the conduction of future economic policies as well.

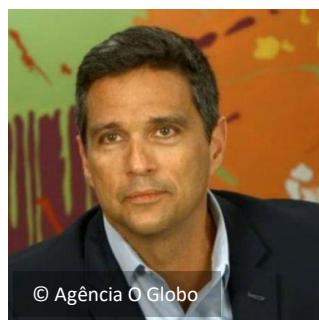


Marcos Pontes
Ministry of Science,
Technology,
Innovations and
Communication

An Air Force engineer and lieutenant colonel, became famous in the eyes of the public by becoming the first Brazilian astronaut to go to space: in 2006, he participated in an expedition to the International Space Station, where he stayed for just over a week.

His international projection began in 1998, when he was selected for a contest of the Brazilian Space Agency to represent the country at the NASA. He holds a master's degree in Systems Engineering and an aircraft test pilot.

Running the MCTIC, Pontes defends [joint efforts to popularize science](#), the modernization of strategic productive sectors, [such as electronics](#), and international cooperation with countries with a known expertise in specific areas, such as [Israel, regarding dissalination techniques](#).



**Roberto Campos
Neto**
Central Bank

Roberto Campos Neto is 49 years old and has a degree in economics, with an emphasis on finances, from the University of California, Los Angeles. He may become the first president of an independent Central Bank (BC), should the current BC president, Ilan Goldfajn, manage to convince Congress to pass a law that grants autonomy to the institution.

Due to his profile, seen as more pro-market, market analysts say they expect Campos Neto to have a more hawkish stance on monetary policy. "At the margin, the nomination of Campos Neto increases the chance of an interest rate hike at his first meeting [in early February], to establish his orthodox credentials," Capital Economics says in a report.

Read more about the new ministry structure and other ministers at: [Nexo](#), [BBC Brasil](#) (both in Portuguese), [Valor Econômico](#) (in English)

Brazil-Europe Direct

Country Specific News

European Union meets Minister Pontes

The first official meeting of the European Union with a nominated Minister of the new Brazilian government took place in Brasília on 5th December 2018. That meeting with the Minister for Science, Technology, Innovations and Communications, Marcos Pontes, took place with the Acting Head of the EU Delegation to Brazil Ms Claudia Gintersdorfer and the Director for International Cooperation on Research and Innovation of the European Commission, Ms Maria Cristina Russo, during her mission to Brazil. Mr Pontes explained that his team was mapping the R&I landscape, including collaborative mechanisms in place, and stressed his interest to move forward in



the cooperation with the EU and its Member States. Following the meeting, a document on main features of the EU-Brazil partnership in science, technology and innovation including cooperation agreements, ongoing activities and main events for 2019 was shared with Minister Pontes' Cabinet.



Bolsonaro Meets Hungarian Leader and Strengthens Commitments with Partner Countries

On the second of January, the president of Brazil received the Prime Minister of Hungary, Viktor Orbán, who invited Bolsonaro to visit his country and the countries of the Visegrad Group, which comprises Poland, the Czech Republic and Slovakia.

According to Orbán, the Group's countries are the fastest growing in the European Union and, therefore, Brazil's trade relations with Hungary and its partners can be promising and beneficial to both parties.

The Brazilian representative accepted an invitation made by Orbán to go to Hungary, which should occur in a timely manner. Jair Bolsonaro also reiterated Brazil's intention to sign a bilateral extradition treaty with Hungary.

Read more at: planalto.gov.br (in Portuguese)

Air France Closes low Cost Subsidiary that Flies to Brazil

The airline Air France announced in January that it will close its low cost travel company Joon. One year after its inauguration, the group's new brand, which had Brazil among its routes, did not have success in consolidating the expected number of clients. Its activity outside the European continent began in the first half of 2018 with two weekly flights to Fortaleza, Brazil. The company had promised tariffs for the capital of Ceará starting from € 249 (about R\$ 929.00). Ambitious, the idealizers also planned to fly in 2019 to the Seychelles.

Low-cost airlines had a difficult year in 2018 - several low-cost companies posted unstable results during the year. Read more at: RFI (in Portuguese)

A Rift Between Germany and Brazil Stalls Work on Carbon Market

A dispute pitting two groups of nations led respectively by Germany and Brazil is holding up work on creating a global market for trading carbon pollution, one of the pillars of the Paris Agreement on climate change.

At issue is who would be able to sell carbon credits in the new system, which envoys are hoping will spur emissions cuts before the Paris Agreement comes into force next year. The question is contentious because Europe has been working to clear up a glut in its own carbon market, which is the biggest in of its kind in the world. Adding a new source of credits could undo that effort and depress prices, eroding the value of carbon trading as a tool to aid the environment. Read more at: Aist