

JUNE 2020, VOL. 6

# **ENRICH MONTHLY**

MONTHLY BUSINESS & INNOVATION NEWS COMPILED BY ENRICH IN BRAZIL



### SNEAK PEEK OF WHAT'S INSIDE:

#### Digital Transformation Assessment

Nordex Group Posts Brazil Wind Power Order for 90 MW

Totvs and SAP Lead Enterprise Software Market in Brazil

Bayer, Instituto Vencer o Câncer and Oncoguia Unite in Favor of Integral Treatment for Two Types of Cancer

Brazil-Germany Digital Conference on Renewable Energy and Energy Efficiency in the Food and Beverage Industry

Brazil has Joined IraSME

The New Low Carbon and Circular Economy Business Action in the Americas will Start mid-September 2020 Tentatively

**INPI Brazil Reduces the Granting Time for Green Patents** 

Finep / MCTI Notice Allocates BRL 50 Million in Economic Subsidy for 4.0 Technologies

Broadband Expands in Brazil, but Still Far from the Goal

Credit Suisse Agrees Deal to Buy into Brazilian Digital Broker Modalmais

The First German-Brazilian CORNET project was launched this year

IraSME Network: 26th Call for R&D Proposals

ENRICH Monthly Success Story: Innovation and Internationalisation: Two Sides of the Same Coin

Dear Reader,

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

In the <u>last edition</u>, we have published how all our ENRICH Community Members are fighting the COVID-19. As the current pandemic is requiring all our attention and resources around the world, the **world is moving in a slow motion** than normally it does. This crisis and the necessary measures to combat it pose major challenges for companies and people around the globe. Companies are taking action and initiating various measures to deal with the consequences of the pandemic. There is a **clear surge in digitization**.

Find out in which **areas of digital transformation your company is already well positioned** and which areas still have optimization potential by taking the test <u>"Digital Transformation Assessment"</u> run by Fraunhofer IPK.

For our June Success Story, we have interviewed Ms Tatiana Farah, an Industrial Development Specialist at Brazilian National Confederation of Industry (CNI), who shared with us that **innovation and internationalization are inseparable.** 

We hope you enjoy reading the 'ENRICH Monthly' and we are happy to receive your feedback via  $\underline{email!}$ 

Warm regards,

Enrich in Brazil Team



ENRICH is an initiative of the European Union, executed in Brazil by the CEBRABIC project, that has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 733531. Responsibility for the information and views set out in this publication lies entirely with the authors.



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



# 🗾 Fraunhofer

INSTITUTE PRODUCTION SYSTEMS AND DESIGN TECHNOLOGY

### **DIGITAL TRANSFORMATION ASSESSMENT**



ENRICH

CENTRE OF EXCELLENCE EPIC

Digitalization offers enormous opportunities to actively shape one's own future and at the same time confronts companies with great challenges.

With the help of our self-assessment, you can determine the status of digital transformation in your company.

### CLICK HERE

#### Find out in which areas of digital transformation your company is already well positioned and which areas still have optimization potential!

Get your companies' strengths and weaknesses report – directly after the survey!

> Global Report: Benchmark your companies' digital status quo worldwide!

> > Available in five languages: ENG, GER, PT, CN, HU

#### DIGITAL TRANSFORMATION ASSESSMENT

Digitalization offers enormous opportunities to actively shape one's own future and at the same time confronts companies with great challenges. Digital transformation describes the process of change that companies must shape in order to master digitalization. Digital transformation is a complex topic that goes far beyond pure automation or implementation of modern technologies. Value creation structures change massively within a very short time. Companies are therefore challenged to put previous business practices and strategies as well as their own processes, structures and products to the test.

With the help of our self-assessments, you can determine the status of digital transformation in your company. Answering the questions takes about 10-15 minutes.

#### Dimensions of digital position determination

Find out in which areas of digital transformation your company is already well positioned and which areas still have optimization potential. To do this, you will use a variety of questions to determine your company's position in the following seven key areas:

- Corporate Strategy
- Leadership and Corporate Culture
- Organization and Processes
- Employees and Competences
- Technology
- Products and Services
- Supply Chain and Networks

#### Analysis

After you have completed the questionnaire, you will receive your company-specific evaluation online. The results will help you understand where you are on your digital journey. This will enable you to identify the main topics that are of particular importance for the digital viability of your company.

To broaden this understanding, you also have the option of registering for benchmarking after the evaluation has been completed. This will provide you with valuable insights on how you compare with your competitors in your industry. Since the survey is conducted on a global scale, you will also receive results that reflect your position in an international comparison.

Take the test <u>here</u>.



Latest News from Brazil and Europe, on Bilateral Cooperation and Research, Development, Innovation, Business and Entrepreneurship.

#### Nordex Group Posts Brazil Wind Power Order for 90 MW

Nordex has received an order from its new customer, COPEL – Companhia Paranaense de Energia, for the supply and construction of 26 AW132/3465 wind turbines in Brazil. The order also includes the Servicing of the machines, with a contract term of 20 years. Nordex SE is a European company that designs, sells and manufactures wind turbines.... Read more at: <u>REVE</u>

Bayer, Instituto Vencer o Câncer and Oncoguia Unite in Favor of Integral Treatment for Two Types of Cancer

For cancer patients, every second counts and represents an opportunity to share more moments with family and loved ones. Therefore, access to comprehensive and quality treatment is a priority. The problem is that most of these patients do not have access to all lines of treatment, both in the public health system (SUS) and private (health plans).... Read more at: <u>Brazil – Germany Chamber</u>

### Brazil has Joined IraSME

In May 2020, the IraSME - a network of funding programmes from different countries which is coordinated by AiF Projekt GmbH and financed by the German Federal Ministry for Economic Affairs and Energy – proudly welcomed Brazil. Brazil is represented by EMBRAPII, the Brazilian Agency for Industrial Research and Technological Innovation.... Read more at: IraSME

#### Totvs and SAP Lead Enterprise Software Market in Brazil

The enterprise software market in Brazil is led by a Brazilian firm Totvs and the German SAP, according to new research by Brazilian business school Fundação Getúlio Vargas about the local information technology market. The report, which polled more than 2,600 businesses, shows Totvs as the leader of the overall ERP market and followed by SAP.... Read more at: <u>ZDNet</u>

Brazil-Germany Digital Conference on Renewable Energy and Energy Efficiency in the Food and Beverage Industry

Promoted by the Energy Export Initiative of the German Federal Ministry of Economy and Energy (BMWi), the project aims to discuss solutions to increase the sector's competitiveness and ensure the sustainability of producers. Through this digital delegation, the conference aimed to actively bring together German and Brazilian companies and to .... Read more at: <u>Brazil – Germany Chamber</u>

The New Low Carbon and Circular Economy Business Action in the Americas will Start mid-September 2020 Tentatively

The European funded program Low Carbon Business Action in Brazil contributed to the internationalisation of European SMEs while allowing the transfer of low carbon technologies to Brazil has brought significant environmental benefits, especially in the reduction of greenhouse gases emissions. The new edition of the program will start in mid-September.... Read more at: <u>ECCP</u>





With the occasion to celebrate the Environment day, the Brazilian National Institute of Industrial Property (INPI) has confirmed that today the decision time for green patents is just of 1.2 years, counted from the application to enter the program.

This is part of the Green Patents program, in which INPI is offering priority examination of applications related to

green technologies and the environment. Moreover, this program enables the identification of new technologies that can be quickly used by society, stimulating their licensing and encouraging innovation in Brazil.

Read more at: Latin America IPR Helpdesk

To read more (in Portuguese), please be referred to INPI's website.

# Finep / MCTI Notice Allocates BRL 50 Million in Economic Subsidy for 4.0 Technologies

Finep, Financier of Innovation and Research of the Ministry of Science, Technology and Innovations (MCTI), launched on June 18<sup>th</sup> an economic grant notice, in the amount of BRL 50 million, to support innovation projects involving 4.0 technologies.

The new resources will be destined to small, medium and large Brazilian companies that are interested in developing innovative products, processes and services in four thematic areas: Agro 4.0 (agriculture, precision livestock and systems transversal to agriculture and livestock), Smart Cities (urban logistics, public security, environmental sanitation, and monitoring and natural disasters); Industry 4.0 (4.0 processes, virtualization of environments, and 4.0 machines and equipment); and Health 4.0 (prediction systems, remote monitoring, telemedicine, hospital management, and epidemic prevention and control).

Proposals must include at least one enabling technology, such as 5G, Internet of Things (IoT), Artificial Intelligence, Advanced Robotics, Cloud Computing, Augmented Reality or Additive Manufacturing.

"This announcement aims to finance, via economic subsidy, innovation projects in 4.0 technologies in the cross-cutting themes of Brazilian industry and is part of the federal government's public policies to promote advanced manufacturing and the internet of things", says the Innovation Director at Finep / MCTI, Alberto Dantas.

Projects that present technological maturity levels from 3 to 7, the so-called TRLs (Technology Readiness Levels), will be supported. BRL 15 million will be invested in the themes Agro 4.0, Industry 4.0 and Health 4.0, and BRL 5 million in the themes related to Smart Cities. It will be mandatory to present a financial contribution, which may vary between 5 percent and 100 percent of the amount to be subsidized, depending on the size of the company.

These proposals must be sent to Finep / MCTI electronically by July  $27^{th}$ , when the call for tenders ends.

Read more at: FI Group & Finep



### Preserving Innovation in COVID-19 Times: MCTIC Actions to Adapt the Law of Good and Expand its Adhesion

The Law of Good (11,196 / 05) was created with the objective of allowing companies in Brazil to create a sustainable and growing structure for Research, Development and Innovation (RD&I), through the granting of tax incentives by the Federal Government to companies that invest in such activities.

However, according to IBGE data, released in the latest edition of the Innovation Survey - PINTEC , only 4.7 percent of the total companies eligible for the Lei do Bem use the benefit in 2017. As for the base year of 2018, although it was a year of some economic limitation, there was a growth of 23 percent in the number of companies that used the incentive of the Lei do Bem. potential would be using this incentive defined in Chapter III of that Law.

Aware of some limitations existing in the Lei do Bem, in 2019, the Ministry of Science, Technology, Innovations and Communications - MCTIC - made a diagnosis about the importance of reviewing the incentive, in order to

map the total number of companies that could use the benefit current conditions, and adapt the Law to encourage the country's economic development.

The year 2020 is being atypical for all sectors, but the project to improve the Law of Good is still under development, as the promotion of innovation in companies is more important than ever.

As commented by the coordination of the MCTIC Working Group at an event presented in early June, two different approaches are being carried out: an emergency one, which aims to adapt the legislation to the needs imposed by the crisis caused by the COVID-19 pandemic, and a second one longer term, which aims to address some issues that have been discussed in recent years to boost the innovation ecosystem in the country.

These include: Additional incentive for companies to hire Masters and Doctors; Fostering partnerships with ICT; Fostering partnerships between large companies and technology-based small companies (EPP); Possibility of inclusion as a deductible amount of contributions to Science and Technology funds.

Although there is still much to be done, there is a clear direction of MCTIC in promoting and fostering investment in innovation more and more, especially with regard to the private sector.

Read more at: Tax Portal

### Smartphones Become Brazilian Gamers' Favorite Platform

Brazilian gamers are becoming increasingly mobile, as smartphones become the favorite platform of 86.7 percent of the population, according to the newest edition of the Game Brasil survey. The trend has also been verified among the share of hardcore gamers, gathering 34.4 percent of preference and surpassing video game consoles for the first time.

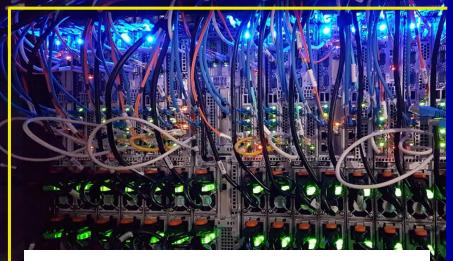
**Casual gamers.** Almost three in four Brazilians play video games — a 7 percent increase on the last survey — and, of those, 67 percent are casual gamers, or people that play less frequently than heavy users. This audience is majorly made up of women (61 percent) and 35 percent are aged between 25 and 34. According to the survey, these casual gamers play three times per week and for up to three hours.

**Connection**. Besides playing for longer, heavy users also have better internet connections: 40 percent of them have download speeds exceeding 100 Megabits per second (Mbps), while roughly 35 percent of casual players have speeds faster than 50Mbps.

Why it matters. As games become increasingly related to advanced technology such as virtual reality, improving mobile internet speed could be a pivotal point to convert more heavy users to a market that already is the third-largest in the world, with more than 60 million players, according to a McKinsey report. Also, the fact that casual gamers are mostly women breaks a long-term stereotype and represents an important audience to be targeted by the industry.

Read more at: The Brazilian Report





### Broadband Expands in Brazil, but Still far From the Goal

Anatel, the Brazilian telecommunications regulator, released the numbers of connections in Brazil in the first quarter of 2020. Broadband was the only service to post a positive performance, growing 3.7 percent in comparison to the same period in 2019, to 33 million contracts, outpasseing fixed telephony contracts for the first time. The performance was spurred by small providers, which have increased their market share to almost one-third of the market. But in spite of the advances, only 47.4 percent of Brazilian homes have fixed broadband services.

Planning for the future. As an effort to expand the basic infrastructure for 5G technology, Anatel has updated its Strategic Plan 2015-2024, establishing that access to broadband (fixed or mobile) must increase from the current 75 percent to 91 percent of Brazilian homes by the end of 2023. Anatel also aims to make telecom operators increase the fiber network coverage from 4,012 cities to 4,883. Moreover, the average speed in fixed broadband should increase from 45 Mbps to 150 Mbps.

Why it matters. 5G technology is considered the next frontier of technology, allowing advances such as 4.0 industry or autonomous driving. While it is pivotal for the country's growth over the next decades, infrastructure to support it has been one of the roadblocks as Anatel has recently admitted that satellite TV antennas may interfere with the 5G signal range.

Read more at: The Brazilian Report

### Credit Suisse Agrees Deal to Buy into Brazilian Digital Broker Modalmais

Credit Suisse (CSGN.S) has agreed a deal with digital broker modalmais that could see it buy a stake of up to 35 percent in the Brazilian company, the Swiss bank said in a statement on Tuesday.

Modalmais has nearly 1 million clients, to whom Credit Suisse expects to sell its wealth management services and products. Currently, modalmais has BRL 10 billion (EUR 1.7 billion) in assets under custody.

Credit Suisse did not specify the time frame it may reach a 35 percent stake in modalmais.

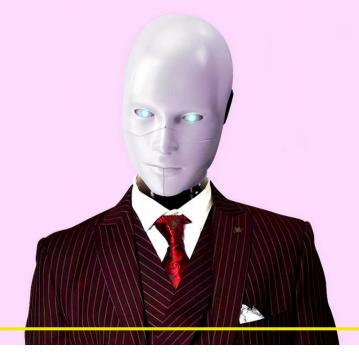
Digital brokers have grown at a breakneck pace in Brazil as the country's benchmark interest rates reached a record low level of 2.25 percent, forcing many investors to flee from government bonds to equities and sophisticated funds.

"This transaction further enhances our ability to serve our clients digitally while getting access to additional client segments in а fast growing environment." Philipp Wehle. Chief Executive of International Wealth Management at Credit Suisse.

Modalmais has among its main competitors in Brazil firms such as XP Inc (XP.O), Banco BTG Pactual SA (BPAC3.SA) and Fosun International Ltd's (0656.HK) Guide Investimentos.

Read more at: <u>Reuters</u>





# The First German-Brazilian CORNET Project was Launched This Year

The first German-Brazilian CORNET project entitled "Quality Assurance of Assembly Processes in Global Value Added Networks with Augmented Intelligence (AuQuA)" was launched this year.

The aim of the research project is to find out how small and medium-sized enterprises (SMEs) can simultaneously ensure high quality in manual manufacturing processes and high efficiency in global value creation networks, and how low-skilled employees can be empowered and guided in order to be able to carry out highly complex manufacturing tasks.

As a solution, a multi-camera system based on augmented intelligence is to be developed that automatically recognizes manual assembly processes and generates appropriate instructions. These are projected onto the components using augmented reality technologies in order to guide the employees through the assembly process and to detect deviations.

In summary, the project aims to generate significant economic added value through the combination of reductions in the areas of quality costs, training and instruction costs as well as production time through digital production instructions. This improves the position of Brazilian and German SMEs in the intensifying global competition. The project was submitted as part of the 28th call of the transnational network CORNET. This network enables the implementation of collaborative industrial research projects on an international level.

Partners on the German side are the Research Association Quality eV (FQS) as an industry association together with the machine tool laboratory of the RWTH Aachen (WZL) as a research institution. Partner on the Brazilian side are the Association of Brazilian information technology companies Brasília (Associação the Empresas Brasileiras de Tecnologia da Informação, ASSESPRO-DF ) and the EMBRAPII unit for Biophotonics and instrumentation of the University of São Paulo (Unidade EMBRAPII de Biofotônica e Instrumentação, IFSC / USP) as Research Institute. In addition, a total of 15 small and medium-sized companies from both countries are involved in the project.

Funding is provided for a project period of two years by the Working Group of Industrial Research Associations AiF eV with funds from the Federal Ministry for Economic Affairs and Energy (BMWi) on the German side and from EMBRAPII (Brazilian Company of Research and Industrial Innovation ) in Brazil.

Read more at: Kooperation International



# IraSME Network: 26<sup>th</sup> Call for R&D Proposals

The 26<sup>th</sup> IraSME call for proposals for transnational R&D projects is currently open and will be closed on September 30<sup>th</sup>, 2020. The call is organised and funded by national and regional ministries and agencies participating in the IraSME network through their respective funding programmes.

Applicants are required to consult with their local agencies at an early stage during the preparation of their proposals in order to secure compliance with the applicable national and regional criteria. Eligibility rules, application and funding details vary between countries/regions.

IraSME is particularly happy to welcome Brazil as its network's most recent member. Brazil will be represented by EMBRAPII – Brazilian Agency for Industrial Research and Technological Innovation. What IraSME funds:

- Development of new products, processes or technical services
- Technical development from first idea to final prototype (before market launch)
- R&D with significant technical risks for each funded partner
- Minimum constellation: 2 companies from 2 participating countries/regions

#### Deadline: 30.09.2020

Visit IrasSME <u>website</u> for more information on application requirements: click <u>here</u>.







## Innovation and Internationalisation: Two Sides of the Same Coin

Success Story

#### by Victoria Araújo, CNI Brazil

**Brasília**. Based on an interview with Ms Tatiana Farah for ENRICH in Brazil.

The ENRICH in Brazil interview series for ENRICH Monthly continues with Ms Tatiana Farah, currently Industrial Development Specialist at Brazilian National Confederation of Industry (CNI), focused on the development and negotiation of international projects, aiming the development of products, technology transfer, joint research, and innovation. 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.

Ms Farah's first involvement with EU-BR cooperation was still during her faculty times, as an intern at Brazilian Service of Support for Micro and Small Enterprises (SEBRAE), acting as a bridge between Brazil and France at the beginning of the AL-Invest Program, one of the most important international cooperation programs from the European Commission to promote internationalisation and encourage productivity in SMEs in Latin America.

Before long, she started working at the Brazilian Ministry of Foreign Affairs (commonly known as Itamaraty), in the implementation of a system of cooperation and technology transfer. This background was decisive in defining what would be the direction of her career from then on - international cooperation for technology transfer - providing what she believes to be the pillars of her expertise: the building of an international network, the ability for multicultural negotiation and the knowledge in technology transfer.

In order to consolidate her knowledge, Ms Farah went on to a master's program at the London School of Economics and Political Sciences, focusing on understanding how technology was a factor in negotiation between countries and how the private sector could be a relevant actor in international actions.



© Tatiana Farah

Upon returning to Brazil, Ms Farah was invited to join the team of CNI and the organizations administrated by it (SENAI, SESI, IEL). In these organizations, she collaborated in the implementation of international areas and structured the Brazilian Network of International Business Centres (CIN Network), for the internationalisation of Brazilian companies, in the early 2000s. She also brought the AL-Invest to CNI, the same program that she had already worked on SEBRAE years ago.

From 2010 onwards, thinking about a greater internationalisation of the CNI entities and how they could absorb new technologies to meet the needs of the Brazilian industry, Ms Farah and the International Relations Unit of SESI/SENAI/IEL began to direct their efforts towards cooperation with international agents capable of generating new business. Thus the SENAI Innovation Institutes (ISI) and the SESI Innovation Centres were created, in partnership with the Fraunhofer IPK, the Finnish Institute of Occupational

....



#### ....

Health (FIOH) and the Netherlands Organization for Applied Scientific Research (TNO), among other partners. Since their inception, these institutes and centres have had internationalisation strategy. It was thanks to this strategy of ISI that, in 2016, SENAI joined as a partner in the Brazil-Sweden Cooperation in Aeronautical Innovation, already mentioned in previous editions of ENRICH Monthly Success Stories, resulting in the development of innovative aeronautical solutions to the challenges of Vinnova and in a long-term partnership between Research Institutes of Sweden (RISE) and SENAI Innovation Institutes.

Based on years of experiences, Ms Farah believes that the key criteria of these successful co-operations are the building of a relationship of trust between the parties and the proper consideration of cultural elements. Regarding technology transfer, she also emphasizes the importance of preparing and training the institutions that will receive this technology so that this process can take place successfully.

When asked about the biggest challenge of international

cooperation, Ms Farah mentions the difficulty of reconciling work schedules, as the time zones and vacation are different, reducing the work period during the year.

To encourage other STI actors from Europe and Brazil to unlock their potential and start a new collaboration, Ms Farah says that innovation and internationalization are two sides of the same coin. There is no way to do one without the other. Internationalisation presupposes a review of your view of the market, consequently, you will be innovating in your processes, products, and services. Companies that want to innovate need to know and connect with those that are the best in their area.

We thank Ms. Tatiana Farah very much for sharing her valuable experience and being an "Ambassador" for increasing scientific and technological cooperation between Europe-Brazil.



