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Consulting services reach Caribbean

Besides Langley, Swedcham projects include companies such as Absolut and Uson Marine





Swedcham consulting services reach



IN ADDITION TO LANGLEY'S HOTEL FORT ROYAL IN GUADELOUPE, RECENT SWEDCHAM CONSULTING PROJECTS INCLUDE COMPANIES IN SUCH DIVERSIFIED AREAS AS ABSOLUT AND USON MARINE.

With more than half a century of experience, Swedcham Brasil is the number one partner for Swedish companies entering the Brazilian market or wishing to import Brazilian products. The objective of its consulting services is to make it easier for Swedish companies to do business in Brazil, and vice-versa. For this purpose, Swedcham counts on excellent market knowledge, a solid network of contacts, a data base of independent consultants and a comprehensive array of services.

Swedcham's operations are rooted in an extensive network of contacts including the Swedish Embassy, government institutions, trade organizations, sector associations, members and clients. Through this network, it has developed its expertise on Swedish-Brazilian trade and tailored its services portfolio to meet the needs of the Swedish community.

Swedcham is therefore highly qualified to help companies identify, evaluate and seize business opportunities in Brazil. Indeed, it has helped many Swedish companies reach crucial decisions with regard to setting up or expanding operations in this dynamic market. Over the years, Swedcham has seen Swedish business in Brazil grow from a handful of multinational industries to some 200 companies in sectors as diverse as telecommunications and pulp & paper.

Recently, Swedcham's consulting services have reached the paradisiacal Caribbean—more specifically Guadeloupe—through a consulting service pro-

vided by Project Manager Peter Johansson to Langley of Sweden. Guadeloupe, an overseas department of France, was a Swedish colony from 1813 to 1814. As a French territory and subject to French laws, it is part of the European Union, hence its currency is the Euro.

Guadeloupe is made up of two islands that are joined by a very narrow channel of water called the Rivière Salée. The western island, Basse-Terre, is more mountainous than its eastern sidekick, Grande-Terre, and is home to an active volcano, La Soufrière, which is 4,800 feet high. It is in the Basse-Terre island that Langley reopened the Hotel

ject without this support," Pontus said.

So where does Swedcham come into all this? "We decided to contact the Chamber after our first recognition visit to Brazil. The main reason was to have a contact with an established network and experience in doing business in this country," Pontus said. "For us it is very important that these contacts are established early in the project in order to avoid difficulties. I would definitely recommend the Chamber's services to other companies."

According to Pontus, "the big advantage for us in using Swedcham's services is that we have a serious partner from the same

catalyst," he added.

"Langley made good contacts but on a day-to-day basis they couldn't really get by without a person in the country checking on everything. And you definitely need someone here to stay on top of things, then you can avoid any problems because you're always one step ahead," Peter noted.

The products acquired locally by Langley included all the wood for the hotel (from Elof Hansson in Brazil, also a Swedcham member), most of the furniture (beds, side tables, closets, cabinets), mattresses, light fixtures for the rooms, mirrors, etc.

Caribbean through Langley project

Fort Royal last December. The hotel had not been receiving any tourists since 2001. Langley is the first Scandinavian travel operator to open services in Guadeloupe, offering the area as a destination.

Langley was established by Pontus Langley, a sports fan who used to go skiing a lot in France and other countries. After a while, he sought ways of financing trips and started organizing tours to the French Alps. This soon evolved from bus trips from Sweden to full-fledged charter tourism. Today, the Langley group runs a dozen hotels in France (in the Alps and Corsica), as well as some in Greece and Canada—and now in Guadeloupe as well.

The Hotel Fort Royal—whose accommodations include 151 rooms and 82 bungalows, as well as a restaurant and two bars, swimming pool, tennis courts and diving center—also offers sailing, snorkeling and surfing activities as well as excursions (including walks to the top of a still active volcano), etc.

Pontus had set his sights on the hotel some years ago when he went to Guadeloupe on vacation. When the hotel finally became available he started looking for funding for the project, which is now partly financed by the European Union. "I could never have gone ahead with the pro-

culture assisting us in doing business in a different culture."

In mid-2007, Langley contacted the Chamber by email saying that they were acquiring certain products in Brazil for the hotel they were reforming in Guadeloupe and that they wanted help with contacts. Peter did the follow-up and a meeting was set, "when we decided that the Chamber could be responsible for the general coordination with Brazilian suppliers, logistics companies and authorities. Langley needed good, trustworthy contacts with more competitive prices and we recommended the services of some of our members. These included Renato Pacheco Neto, who is also the Chamber's legal director, logistics company Kuehne + Nagel, and customs broker Danex," he recalled.

Peter also translated contracts from Portuguese to Swedish and did credit checks at Serasa in order to ascertain that the suppliers were reliable, as well as participated in meetings with these companies.

"Things evolved from there because buying in Brazil can be quite complex and Swedcham can certainly help in this respect," said Peter. "There are subtleties in Brazilian business life that you do not sense if you don't speak the language and have not lived here for a while, and Swedcham works as a



Peter Johansson (left) and Pontus Langley

And why Brazil? Because the type of wood Langley wanted for the hotel—mostly andiroba (*Carapa guianensis*) and angelim pedra (stone angelim)—was only available in this country or Indonesia, and of course Brazil is much closer to Guadeloupe and the wood is cheaper. "Now with this experience, Langley is considering continuing to use Brazilian suppliers for all of its hotels," Peter said.

As he pointed out, Swedcham can do everything for its clients, including providing contacts with suppliers and translations, participating in negotiations (even if in →



English, because of the local market knowledge), coordinating logistics, using trustworthy expedition firms, etc.

Langley suppliers included furniture maker Intercontinental of São Bento do Sul in Santa Catarina state and door manufacturer Ulimax of Tieté in São Paulo state. "When Langley contacted us they already had a list supplied by the Chamber of Commerce in Gothenburg, and Intercontinental was included," observed Peter.

He stressed that "it is not easy anywhere in the world to find suppliers of made-to-order hotel furniture that actually install the furniture overseas," adding that the supplier sent people to take measurements at the hotel, so this was one of the major reasons behind its selection.

Peter said that now, in addition to follow-up activities, he is seeking more suppliers for future needs. Future Langley projects could very well include running a hotel in Brazil, which has incentive programs for tourism.

According to Pontus, "we are very interested in making a deeper study over the next three years with regard to the possibility of a hotel project in the north of Brazil. We are not interested in the mainstream areas, but we need to have the infrastructure (international airport) a maximum of three hours away from the location. We are for the moment following the political development as this is a key for such a project."

Peter visited Guadeloupe shortly after the Hotel Fort Royal's official re-inauguration on December 19, "not only to check out everything but also for a bit of rest and relaxation," he admitted. "Having been there and seen it all personally, I have a better idea of how to proceed with finishing touches!"

Swedcham's "strength as a Chamber of Commerce in helping companies with consulting services is that we have a huge network of contacts (suppliers, lawyers,

consultants, expeditors, and so on). We are not total experts, but we have access to experts in almost every area and can therefore serve a customer in a more efficient manner," he stressed.

"This is a huge advantage. What we did for Langley we can of course do for other companies. We have on-line data with contacts with a vast array of Brazilian and Nordic companies and institutions and we are able to filter all the information according to our clients' specific needs. And we can also help Brazilian companies do business with or set up operations in Sweden—which is becoming more common with the evolving Brazilian economy, compared to the 'traditional' set-ups made by Swedcham during the last decades, which have mainly involved Swedish companies opening up in Brazil," he concluded.

Swedcham members are entitled to a 10% discount at the Hotel Fort Royal, whose daily rates range from EUR 80 to EUR 270, depending on the season and number of people. For more info, please contact fortroyal@langley.eu or call + 590 (0) 590 68 76 70 or fax + 590 (0) 590 68 79 50. Please note that Brazilian citizens need a visa to visit Guadeloupe, even though it is a part of the EU.



Absolut

Another major Swedcham client is V&S Absolut Spirits, which is expanding in a big way in Brazil. "Actually, Absolut is not only a client, but a major partner," noted Swedcham Executive Secretary Jonas Sjöbom.

Absolut vodka first started being sold in Brazil in 1991 and sales have leaped from 45,000 12-bottle cases in 2006 to 75,000 in 2007, the projection for 2008 being 120,000 cases! "For around two years we have been putting more money than we make in Brazil, but we are growing at a rate of 60% per year," said Leif Strandberg, Latin American Area Director for the company. Brazil currently accounts for 1% of Absolut sales worldwide.

"Distribution is key to our expansion in Brazil," the executive said, adding that the company plans to grow threefold by 2010. In

Leif Strandberg



addition to expanding in São Paulo, which accounts for 50% of Absolut's market in Brazil, the company is also stepping up operations in Rio de Janeiro and Brasília and plans to move into other areas in the future.

According to Leif, the planned privatization of parent company Vin & Spirit (talks are under way with several buyers and one condition is that Absolut Vodka must continue to be produced in Swedish territory) will not change the strategy in any way. "Brazil continues to be a priority," he stated.

Jonas said that Swedcham's project with Absolut started around two years ago, when he met with Gustavo Clauss, who had coordinated the business in Brazil since 2005 and has now left. Through Gustavo, Jonas later met Leif in Sweden and asked him if Absolut needed any assistance with its expansion plans in Brazil. In June last year, Jonas returned to Sweden, when he visited V&S headquarters and was shown Absolut's five-year plan of activities in Brazil to see how the Chamber could help.

Absolut became a Swedcham member and sponsor in mid-August last year, gaining access to its vast contact network and renting two workstations used by Gustavo and financial and administrative coordinator Lucio Couto. Besides sponsoring Chamber events (and this magazine!), Absolut has also been holding meetings with members such as lawyers and expeditors from which it has obtained valuable feedback.

Absolut wants to find a way of putting more money into marketing and maybe lowering import costs (all its products are

imported from Sweden). Since June 2004, Absolut products (previously divided among several small distributors) are distributed exclusively by Interfood. Absolut intends to keep Interfood as a distributor but wants to do its own imports.

"We put Absolut in touch with Swedcham member Mazars Cabrera, which provides auditing, accounting and business advisory services. They did a really good job, finding out that a new proposed tax law could cause problems in the future and we are now trying to find ways of getting around this problem," Jonas said, noting that the new legislation is to be voted on in Congress on April 3.

Leif said that "the assistance and guidance given by Jonas Sjöbom and the Chamber are of great value for us. The insights and vast experience of the Brazilian business environment that the Chamber together with its network possess have helped us tremendously in our efforts to expand Absolut's business in Brazil."

According to Jonas, Swedcham "helps companies see where they want to go. Our advantage is our flexibility, we can put things together for a specific client, with the assistance of specific members and contacts. This is definitely our differential—flexibility."

Uson Marine

Uson Marine AB is involved another major project being developed in conjunction with Swedcham. This Swedish company specializes in waste handling systems for the marine and offshore markets. Founded in 1983, Uson Marine has supplied systems for



treatment of ship-generated waste to more than 500 vessels. Stricter environmental regulations and steeply increasing costs for disposal of waste in ports have increased the focus for effective waste handling onboard ships and platforms.

Since the start of 2006, Uson Marine has together with the Macaé-based company Five Star Services promoted systems for waste handling onboard platforms. Five Star Services has been in the oil & gas market for the last 10 years, providing know-how and manpower for labor, engineering, maintenance, repair and drilling operations for placement both onboard rigs and at their premises in Macaé, the offshore oil capital of Brazil.

The business plan is to use the extensive contacts of Five Star Services in the area to lease out containers with waste handling equipment from Uson Marine together with operators from Five Star Services. The prospects are the operators of oil rigs in the area, including Transocean, Nobel Drilling, Pride do Brasil, Petroserv, Petrobras, Queiroz Galvão, etc.

In November 2007, the first contract was signed between Uson Marine and Transocean, a world-leading rig operator with more than 130 oil rigs worldwide. The contract is for a try-out period of six months

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Container description

The Uson Marine container is built in Sweden and is ready to just plug in and start when it gets to the rig. It is fully automatic and consists of the following machines:

- Multi chamber compactor for compacting and sorting of mixed waste, hard and soft plastic and tins and cans
- Baling press for compacting cardboard and paper
- Crusher for breaking glass

All machines are run by a trained operator from Five Star Services.



A busy period is beginning

By Annika Markovic
Swedish Ambassador



Scandinavian Friends,

I hope you all had a good rest over the holidays and a fun Carnival week and are now back in the office in full force! For the first time in four years, I brought the family back to Sweden, hoping for a White Christmas. Unfortunately, we were not very lucky with the snow but at least it did not rain on Christmas Eve. The strongest impression I bring back with me is how dark it is in Scandinavia during the winter. This is something we often forget here in "the tropics". For those of you who missed the Lucia celebration in Brasilia, there is a video on the internet at <http://www.vimeo.com/612483>.

The year 2008 started with a visiting delegation from KTH, The Royal Institute of Technology in Stockholm, as well as some other educational institutions. The group, consisting of professors and assisting professors, came with the objective to further the close cooperation between educational institutions in Sweden and Brazil in the field of bioenergy. As you are aware, the Swedish and Brazilian Governments signed, during the State Visit in September 2007, a bilateral framework agreement for cooperation on matters related to bioenergy. This is an area that is of the highest priority for the Swedish Government.

The bilateral agreement underlines the need for closer cooperation in several areas; on the political level, on research between academic institutions, but also involving the business community as well as tripartite cooperation, possibly in one or two countries in Africa. The role that the Swedish business community in Brazil wants to play in the implementation of this agreement is of course your decision. But I am convinced that Swedish companies have a lot to offer. We have knowledge and experience that our Brazilian counterparts are particularly interested to learn from.

I am thinking about how to ensure a close cooperation between companies and researchers at the Universities without

compromising the independence of the researchers and at the same time ensuring that research being done also has a commercial potential. There are several Swedish companies in Brazil that have established research units in the country. Now it is time to use the experience we have to establish these "centers of excellence" also in Brazil. The professors will be back in April when an experts' workshop on bioenergy will be held. This will be the stepping stone for a more intensive cooperation in the future and I hope many of you will take this opportunity to participate.

We are looking forward to a busy schedule this semester. At the end of February, the Parliamentary Committee on Agriculture and Environment made a study visit to Brazil and the intensive program brought them to Rio de Janeiro, Porto Seguro (to visit Veracel), Brasilia (for bilateral talks with the Government and the Congress), Manaus (for meetings with the Governor and for discussions on biological diversity) as well as to São Paulo (to meet with the business community) and to Ribeirão Preto (to visit the Swedish-funded CDM-project there).

One important matter for discussion during the delegation visit was of course the environmental impact of ethanol production including on the Amazon Rainforest. It was of great interest for the visitors to learn about the Brazilian certification program for ethanol producers in that context. And we are of course very happy that the European Customs Codex Committee recently voted in favor of the Swedish Government's proposal to lower the tariffs on imported ethanol from Brazil so that the biofuels E85 and E95 can be sold at competitive prices in Sweden. This follows the policy of the Swedish Government to promote the use of biofuels and to combat climate change (in Sweden we today have more than 1000 gas stations with ethanol pumps, more than 90,000 flex fuel cars on the roads and 600 buses that run on bioethanol).

In March, [as this magazine was going to press], the Speaker of the Swedish Parliament, Per Westerberg, was scheduled to visit Brazil together with the highest possible level of a parliamentary delegation including all the group leaders of the political parties. The Speaker wants to learn from the Swedish business community about developments in Brazil and has asked for a specific opportunity to meet with you. The delegation was also to hold bilateral talks in Brasilia as well as visit the Governors in Minas Gerais and São Paulo. The focus of interest of the delegation is trade and investment promotion as well as the political, economic and social developments in Brazil.

In early May, the Swedish Trade Council, Ericsson, the Embassy and the Honorary Consuls-General in Rio de Janeiro and São Paulo are jointly organizing a delegation to Brazil on information technology to be headed by the State Secretary for International Trade, Gunnar Wieslander. This will consist of a "match-making" exercise with opportunities for Swedish companies to meet their counterparts in the Brazilian telecommunications sector. The launching of the 3G network will be interesting in this context. More information can be found on the website of the Trade Council at www.swedishtrade.se/brasilien.

So it is easy to say that interest in Brazil is growing in Sweden. I guess the culminating point is March 26 when Brazil and Sweden will meet in London in a friendship soccer game to highlight the 50 years since the World Championship in Stockholm, Solna in 1958, when Brazil for the first time became World Champion in soccer. Let's beat them this time! ■

Sandvik in Brazil: more than half a century of continuous expansion

By J. F. Thrall

Luiz Manetti, former Chief Financial Officer, took over the helm of the Brazilian operation in January

Sandvik is one of the Swedish companies that have been established in Brazil for more than half a century. The firm has continuously maintained a stable pattern of expansion in the country and become an enterprise that has taken on a Brazilian character—integrating both its European and local employees into the diverse cultures of both nations while maintaining its clear commitment to excellence that has made it a leader in its field around the world.

While the South American division of the Sandvik Group holds less than 6 % of the company's market share for invoiced sales operations, it accounted for a 21% increase in sales over the same period in 2006. Worldwide, the Sandvik Group showed a

2007 fourth quarter increase of 9% for Sandvik Tooling, 23% for Sandvik Mining and Construction and 7% for Sandvik Materials Technology compared to the same quarter of the previous year at fixed exchange rates for comparable units. This is to say that year-end results show a continued steady growth both as a group and for the Latin American division and clearly demonstrates the compatibility of the multinational throughout its presence in 130 countries.

According to Sandvik President and CEO Lars Pettersson, writing in Sandvik's magazine Meet Sandvik for December 2007, "The business climate remained strong with favorable demand for Sandvik's products and services during the third quarter. The underlying driving forces generated favorable sales volumes, high capacity utilization and improved operating profit. Efforts to continuously implement structural improvements in various areas have high priority. They are designed to strengthen the Group's

long-term competitiveness and to form the foundation for cost leadership and profitable growth. A condition for this is the continuation of activities to develop new products and services. Sandvik's offering shall continuously encompass value-adding solutions that increase our customers' efficiency and productivity." It is this strategy that has ensured quality products and services year after year.

In addition to Brazil, Sandvik Latin America operates in Argentina, Chile, Cuba, Mexico and Peru and Brazilian operations consist of five established companies. These firms provide a wide range of products and services and include Sandvik do Brasil AS and Dormer Tools SA, both located in São Paulo; Sandvik Hurth SA, in Sorocaba; Sandvik Mining and Construction do Brasil, also in São Paulo, and Sandvik do Brasil Wire, in Mogi Guacu.

Sandvik also cooperates with Cummins Brasil through Sandvik Coromant which is now responsible for Cummins' total tool management. Sandvik specialists are on site implementing cost savings within the machining and processing area in cooperation with the customer.

New President

The latest development in the structure of Sandvik do Brasil has been the change of presidents, following the impressive 11-year tenure of José Parra. As of January 2008, the post of president passed to Luiz Manetti who moved up from Chief Financial Officer and has been part of the Brazilian operation for many years. The transition period took most of 2007 and according to Manetti was a "smooth one."

In an interview with "Brazil & Sweden Norway" magazine, Manetti spoke of his personal commitment to Brazil, the econom-



ic outlook for the country and some of the principles and objectives of Sandvik.

B&S/N: Could you please give an overview of your impressions regarding the Brazilian economy for 2008? To what degree do you see the confidence crisis that has been affecting the American economy due to the difficulties in the real estate market? To what degree will this affect Brazil?

Manetti: "It is always difficult to predict to what extent the real estate crisis in the US will influence negatively other markets. So far the Brazilian economy seems to be less sensitive to this turbulence than in the last decade, but we shall not underestimate the effects that a more severe crisis in the US can have in the world's economy. Despite this risk, we are all optimistic about the Brazilian economy in 2008. Inflation is under control, fluctuating within the range defined by the Brazilian Central Bank. Interest rates shall continue developing positively, favoring the access to credit lines, particularly for the middle class. The Brazilian foreign currency reserves are, for the first time in our history, higher than our foreign debt, which is a very good step towards reaching an "investment grade" position from Rating Agencies. The automotive industry is expecting another good year with the internal market growing due to the higher offer of financing and credit, and the mining sector and oil & gas industry will continue with their fantastic growth. These three sectors are the pillars for granting a good year for Sandvik.

B&S/N: Do you expect that government economic policies will change with the upcoming presidential election and, if so, what would you like to see a new administration implement that would improve economic conditions for both foreign and national companies?

Manetti: The government has shown that it is much more mature in terms of avoiding drastic changes in the economy that could end up increasing the turbulence and the uncertainty in our market. We are more in line with the developed countries, where we see evolution instead of revolution in ongoing economic policies. Nevertheless, we have tremendous room from improvement, par-

ticularly in the tax field. In a recent report issued by the World Bank, in conjunction with Price Waterhouse, with respect to the global picture related to the payment of taxes around the world, we can see that Brazil is still too bureaucratic and the government transfers to tax payers part of the workload that should be the responsibility of the federal, state and municipal entities. According to this study, the Brazilian tax system is even more complex than in other developing countries like Russia, India and China, and this is a factor that certainly contributes negatively to growth, foreign investments and national development.

B&S/N: Does Sandvik have any specific plans for Brazil and the Latin American market for the coming year? Are there any plans for expansion, or new or expanded product lines? To what degree will this affect Brazil?

Manetti: Sandvik has been present in Latin America for approximately 60 years, always investing and maintaining a positive attitude towards our markets and this will not be different for the coming years.

B&S/N: To what do you attribute Sandvik's success in the local market? And how does that compare to other nations in Latin America?

Manetti: Sandvik has a strong and solid strategy. By diversifying through the Tooling, Mining and Construction and Material Technology business areas, by investing heavily in the research and development of new products in close cooperation with our customers, and with a global presence in more than 130 countries, it has been possible to grant a continuous and profitable growth. This is valid everywhere, and Latin America is not an exception.

B&S/N: What are the principal measures taken by Sandvik with regard to sustainability, the environment and the promotion of consciousness in these areas—both for employees and with the public in general?

Manetti: Sandvik has increased its focus and has objective targets in programs, aiming at a reduction in energy and water consumption, an increase in the recycling of



Luiz Manetti

solid carbide products, reduction of gas emissions that could contribute to global warming, and other environmental issues. For the first year, we have included these matters in our external audit scope, which is a clear demonstration that we are committed as a company to the environment and to the sustainability of our planet.

B&S/N: Does Sandvik have any cultural projects that it promotes and funds?

Manetti: There are several cultural initiatives that we could mention. One of them is the Sandvik University in which the primary objective is to increase the development of expertise on a broad front - regardless of time and place - by creating an interactive Web-based training program within Sandvik Intranets. This means that we are able to carry out individually adapted training programs throughout the world. We could also mention the library project which is being organized now; the program of continued education focusing on post-graduate courses; language courses; partnerships with universities and so on, all aimed at employee development from both a professional and personal point of view.

B&S/N: After many years in Brazil, what are your pastimes and hobbies outside of work?

Manetti: Brazil is a fantastic country in many aspects like diversity, tolerance, friendly people, tasteful culinary arts, a beautiful landscape and blessed weather, thus my hobby is to know it better. One of my pastimes is driving to the countryside during the weekends to visit and learn more about the cities close to São Paulo and, whenever possible, fly to other parts of the country, particularly to the Southern and Northeastern states. Reading and carpentry are other activities that work like therapy for me. ■

EU-Mercosur trade negotiations

By Christer Manhusen
Swedcham Chairman



These negotiations, if they succeed in reaching a free trade agreement between the two trading blocs (a so-called FTA), will certainly have a positive impact on both business and investments across the Atlantic.

But alas, *"kairós"*, a Greek word for "the right moment", has not yet arrived. And why is that?

In 1996 the first document on cooperation between the EU and Mercosur was signed, proposing a free trade agreement between the two for not later than 2005. This date is long past, the reason being difficulties over agricultural issues and industrial goods and services. The Mercosur countries are demanding openings for their agricultural products on the EU markets, and the EU is requesting better access for its industrial goods (machinery, high tech, vehicles, etc.) and services (for instance telecommunications and finance) on the Mercosur markets.

Progress in the negotiations was made up to 2004, but not enough to close a deal. Argentina's and Brazil's demands for more access for their agricultural goods could have been met by the EU in 2004, if Mercosur had made sufficient openings for the EU's industrial goods. A deal was in the bag, but protectionist elements (particularly in the Argentine industrial sector) put an abrupt end to the deal, and the *"kairós"* was over. An Argentine industrialist said that an agreement with the EU would have meant the kiss of death to the Argentine industrial park.

There is no doubt that the Argentine industry in many areas is old-fashioned and non-competitive, but according to most economists, more competition and opening up are the only remedies for the industry to shape up.

Brazil is in a much better position with a modernized and reformed up-to-date industry that today is highly competitive in many areas of business.

Talking to representatives of the Argentine and Brazilian governments (Paraguay and Uruguay are also members of Mercosur with Chile and Bolivia as associates and Venezuela as a prospective member), they confirm their political commitment to finalize a FTA with the EU, underlining its importance not least to attract EU investments. The parochial interests must be overcome, and modalities be worked out to reach an agreement. For Mercosur, an FTA with the EU would in itself have an overall political importance as the South American trading

bloc has not been very successful in negotiating FTAs with other countries or trading blocs.

In December 2007, the Mercosur foreign ministers met in Montevideo with the EU commissioner for economic and monetary affairs, and together they expressed their "strong wish to re-launch the negotiations between the EU and Mercosur with the objective to conclude an agreement between the two blocs". On the part of the EU, there exists a genuine wish to make a deal with Mercosur – European industry would profit from it. The question mark is, though, if the Europeans would be willing to make enough concessions before the Doha Round of international trade talks is finished for fear of making concessions twice (see article on facing page).

The next opportunity to conclude this agreement will be on the occasion of the EU-Mercosur summit meeting in Lima in May, where the presidents will meet. That is the best scenario for an agreement. The next scenario is that Mercosur reaches a less ambitious understanding, namely to wait for the Doha Round to conclude, and the third scenario is that the EU opt to negotiate a deal only with Brazil.

At the moment, it looks as if the third scenario would be the more likely. Internal difficulties within Mercosur are hindering a common front in the negotiations. Argentina and Uruguay are at loggerheads over a Finnish pulp mill, Uruguay is tempted to sign a bilateral FTA with the US, both Paraguay and Uruguay are strongly complaining about the asymmetries in their relations with Argentina and Brazil, and the Argentine industry is afraid of being swallowed or outmaneuvered by Brazil.

On top of the internal difficulties, there is the Hugo Chavez problem. The Venezuelan president has insulted the Brazilian Congress in a most offensive manner, the result being that, so far, the senators are refusing to ratify Venezuela's entry into Mercosur as a full member. According to many, that could however be a blessing, because they feel that to have Chavez in Mercosur could only spell more problems...

A FTA between the EU and Mercosur would of course be best for Swedish/Nordic industrial interests. But, if the negotiations would fall short of that, an EU deal with Brazil would be second best. After all, Brazil is without comparison the most important country for Swedish/Nordic business interests in the region. ■



What happened to the Doha Round?

By Christer Manhusen
Swedcham Chairman



When the last and still ongoing multilateral round of trade negotiations was launched in Doha, the capital of Qatar, in November 2001, the deadline for its conclusion was set for January 1, 2005. It is by no means unusual that international trade rounds do not meet their deadlines. Most rounds have taken some 10 years to conclude, the reasons being the complexity of the issues and political considerations involved. This is also the case this time: 155 members of the World Trade Organization (WTO) in Geneva will have to agree on a broad range of technically complicated and politically sensitive topics, and each and every member must feel that he has gained something – not an easy task.

The make-or-break issues in the negotiations are access to markets of developed countries for agricultural products coming from developing and emerging countries, and access to markets of developing countries for products coming from industrialized countries, goods and services. Unless a mutually accepted formula to open up these markets is established that will satisfy both camps, there will be no agreement. On the side of industrialized countries the US, the EU, Canada and Japan are the heavyweights,

and among the developing countries Brazil, India and South Africa are the leaders.

So, is there a possibility to reach a conclusion this year? There is much political pressure for this to happen. The US negotiators have a mandate from Congress to negotiate until the end of this year, after which it expires. And without the US, the world's largest market, there is no real point in negotiating at all. And furthermore, a new American president and administration, especially if a democrat is elected, could have a more protectionist agenda and thus make negotiations even more difficult and drawn out. So, as time starts to run out, WTO member countries should be more willing to make compromises and thus give their negotiators more flexibility to reach agreements.

At the recent yearly meeting between top political and industrial leaders at the World Economic Forum in Davos, WTO Director-General Pascal Lamy expressed his conviction that the political will among the leading nations to finish the negotiations by the end of this year is there. This view is also being expressed by a number of trade ministers from both developed and developing countries, although not at any price. The time available to agree on all the modalities to make this happen is short, however. Also, the political sensitivity regarding some products could very well continue to be a serious obstacle.

The present economic turbulence is a valid motive to finish the Doha Round shortly. A successful outcome would certainly have a positive impact on the markets and enhance world trade. The US Trade Representative (de facto trade minister) Susan Schwab has stated that the Doha Round is on top of the President's agenda, and she has expressed fear that if it does not come to a conclusion in 2008, then there would be no conclusion. A step forward is

that the US has offered to considerably cut its subsidies to American farmers, which is a strong demand from agricultural developing countries.

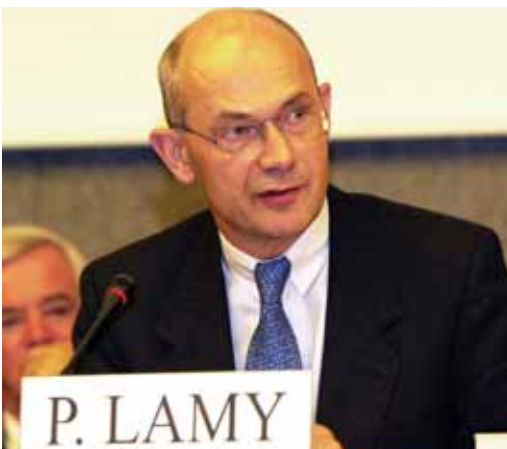
EU Trade Commissioner Peter Mandelson is also pessimistic about the round unless it finishes before the end of this year. He is also concerned that the upcoming US Presidential Election and the expiration of the US negotiating mandate could torpedo the round unless it is concluded before December 31. In a recent interview, Mandelson signalled flexibility both with regard to the opening up of European markets for agricultural products, and to modifying requests for developing countries to open up for industrial products. This is another positive step coming from industrialized nations. Only some months ago, the EU demand in this area on Brazil and India in particular sounded much more aggressive.

So what are the feelings among the developing countries? Brazil and India are the leaders of the so-called G-20, and are trying to establish a common front on most issues. This is difficult as many of them have very different, sometimes conflicting, interests and also are ferocious competitors in some areas. Take agriculture and services, for instance: Brazil and India compete.

Also, commodity prices are high and rising to the benefit of many developing countries. Many countries, including China, are reducing their import duties for agricultural products which makes exporting countries doubt if they really have to make concessions on industrial products. Their exports have seldom had greater success not least regarding prices. So, the negotiating position on the part of leading developing countries could harden in the round.

One should avoid trying to be a prophet, not least because all known prophets have

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Scania ethanol-powered buses are being tested in São Paulo

São Paulo is one of several major cities where Scania's ethanol-powered buses are now being tested in public transport. The first bus went into service in December and the test will last for one year. The test involves the Jabaquara-São Matheus corridor, with stops in nine terminals and service to four municipalities: São Paulo, Diadema, São Bernardo do Campo and Santo André.

During his state visit to Sweden in September last year, President Luiz Inácio Lula da Silva had a test ride in one of Scania's ethanol buses together with HM King Carl XVI Gustaf and Scania's President and CEO Leif Östling.

The bus is being operated by the transport company Empresa Metropolitana de Transportes Urbanos de São Paulo (EMTU/SP), and the project is being coordinated by biofuel experts at the Brazilian Reference Center on Biomass (Cenbio), which is linked to the University of São Paulo (USP).

The field trials of Scania's ethanol buses in São Paulo are occurring as part of the BioEthanol for Sustainable Transport (BEST) project. The aim of the BEST project is to support the large-scale use of ethanol as a vehicle fuel. Trials are taking place in 10 urban areas around the world. Scania, the only manufacturer of this technology in the world (its ethanol-powered buses have been circulating since 1989), is supplying the city buses included in the project.

Besides Scania, the project involves eight other partners: BAFF/SEKAB, Copersucar, EMTU/SP, SPTrans, Marcopolo, Petrobras-Compet, Petrobras Distribuidora and Unica (the Sugar Cane Industry Association). Scania's ethanol-powered bus was officially presented to São Paulo Mayor Gilberto Kassab and state and federal authorities at a ceremony held at USP last October 23.

The BEST project is building ethanol refueling stations in ten locations around the world and carrying out trials involving both

cars and city buses. Brazil is the first country in the Americas to have an ethanol-powered bus in circulation within the BEST project. In addition to São Paulo, participating locations include Stockholm, Madrid and the Basque Provinces (Spain) Rotterdam (Holland), La Spezia (Italy), Somerset (England), Dublin (Ireland), and Nanyang (China).

The BEST project was started by representatives of the Stockholm regional public transport company Storstockholms Lokaltrafik (SL) and is now partly financed by the European Union (EU). The aim is to pave the way for broad-based acceptance of ethanol as a viable alternative fuel for both cars and commercial vehicles.

Scania started to develop ethanol buses in the mid-1980s in close co-operation with SL. After more than 15 years of regular full-scale operation in tough city conditions, SL considers it a fully proven bus technology. There are no operational drawbacks as long as the scheduled maintenance requirements are followed. The buses themselves are completely standard, using regular Scania components.

Since the late 1980s, Scania has delivered more than 600 ethanol buses to Swedish public transport companies, and the technology has yielded major environmental gains. Ethanol is a renewable fuel that does not make a net contribution of carbon dioxide to the atmosphere.

As early as 1989, Scania's ethanol engine met Euro 3 emission standards, which became compulsory in 2001. The second ethanol engine generation was introduced in 1996 and meets Euro 4 emission standards, which have been in effect since 2006.

Scania recently unveiled its third-generation ethanol engines, which have the same thermal efficiency as a regular diesel engine

King Carl XVI Gustaf and President Lula with Scania CEO Leif Östling (behind the King, next to the bus).





Michel de Lambert, president of Scania Latin America

and meanwhile are certified for both Euro 5 and EEV standards. Euro 5 becomes compulsory in the EU in October 2009.

Interest in renewable alternative fuels is spreading rapidly around the world. One reason is the rising oil price, which makes the alternatives more competitive. Local fuel production based on renewable materials will reduce dependency on imported oil.

Another increasingly strong reason for the interest in ethanol and other renewable fuels is the growing concern about global warming, which is considered to be caused largely by carbon dioxide emissions from fossil fuels. Since they make no net contribution of CO₂ to the atmosphere, alternative fuels reduce the impact of transport on the greenhouse effect.

Scania's position is that by sticking to established technologies, the transition to

alternative fuels will be smooth and cost-effective. In Scania's case, this means using pure ethanol with 5 per cent ignition improver in an engine that works efficiently according to the diesel principle.

Ethanol can be produced from sugar cane and sugar beets, as well as from cereals and biowaste. The technology is developing continuously. Recent findings include technologies for producing ethanol from cellulose and burning the residual products in district heating or electricity generating plants.

Prestigious distinction

Scania has been selected preferred supplier by the Clinton Climate Initiative Purchasing Consortium (CCI). The company's ethanol-powered buses are regarded as one of the best available solutions for reducing carbon dioxide emissions from urban traffic. A new market is now opening up to Scania as 40 major cities around the world seek new technology to reduce their climate impact.

The Clinton Climate Initiative was launched by the Clinton Foundation and former American President Bill Clinton in August 2006. Its mission is to apply a business-oriented approach to stimulate the use of new technology to combat climate change. Its collaboration with the C40 Large Cities Climate Leadership Group is aimed at generating greater demand for cleaner technology.

Scania has close to 20 years of practical experience in the supply of ethanol-powered buses. Now the third generation ethanol engines are being introduced, engines that are also being adapted for use in distribution trucks. Compared to a conventional diesel

engine, net carbon dioxide emissions are reduced by up to 90 percent if the engine is running on ethanol produced from sugar cane, for example.

The appointment of Scania as a preferred supplier was preceded by an extensive evaluation of its technology. Experience from Stockholm, where the majority of inner city buses are now Scania ethanol buses, shows that it is possible to carry out a large-scale transition to renewable fuels for urban traffic.

"The distinction is a major success for Scania's long-term commitment to renewable fuel engines," says CEO Leif Östling. "Our ethanol buses have comparable operating economy to diesel buses and this opens a great opportunity.

"In environmental terms, the distinction also represents a breakthrough. Tackling the climate change issue is a matter for society as a whole. Scania contributes with viable and sustainable solutions that facilitate a more rapid transition from oil dependence to renewable vehicle fuels."

The C40 Large Cities Climate Leadership Group consists of: Addis Ababa, Bangkok, Beijing, Berlin, Bogotá, Buenos Aires, Cairo, Caracas, Chicago, Delhi, Dhaka, Hanoi, Hong Kong, Houston, Istanbul, Jakarta, Johannesburg, Karachi, Lagos, Lima, London, Los Angeles, Madrid, Manila, Melbourne, Mexico City, Moscow, Mumbai, New York, Paris, Philadelphia, Rio de Janeiro, Rome, São Paulo, Seoul, Shanghai, Sydney, Toronto, Tokyo and Warsaw.

Largest market

Following two consecutive years coming after Great-Britain, Brazil last year was once again Scania's largest world market, according to the company's 2007 annual balance sheet.

Brazil sold a total of 6,502 trucks, 1,019 buses and 2,268 engines, which represent increases of respectively 29%, 45% and 17% compared with 2006.

Also last year, Scania was elected the best Heavy Truck Maker in Brazil, receiving the NTC Transport Suppliers Award granted by NTC&Logistica – the National Cargo Transport and Logistics Association. Founded in 1963, the organization represents businessmen in the Brazilian cargo transport and logistics sectors. This is the eighth time Scania receives the award, which completed its 10th edition in 2007. ■





(Left to right) Curitiba Municipal Chamber Councilman Jorge Bernardi, Volvo do Brasil President Tommy Svensson, and Tito Zeglin, First Vice-President of the Curitiba Municipal Chamber.



(Left to right) Volvo do Brasil's Carlos Morassutti, Dante Lago and Carlos Ogliari.

Municipal Chamber of Curitiba pays tribute to Volvo do Brasil

The Municipal Chamber of Curitiba, capital of the southern state of Paraná, paid tribute to Volvo on December 14 for its 30 years in Brazil last year. Volvo celebrated its 30th anniversary in this country with many different events and activities throughout 2007.

At a ceremony at the Palácio Rio Branco, the Chamber paid tribute to Volvo do Brasil, represented by Tommy Svensson, President and CEO, as well as by Carlos Morassutti, director of Human Resources and Corporate Affairs, Dante Lago, head of Health, Safety and Environment Activities within the company, and Carlos Ogliari, head of Institutional and Governmental Affairs.

Volvo was honored due to its involvement in the Fundação Solidariedade (Solidarity Foundation), a non-profit organization located in Campo Magro, 25 kilometers from downtown Curitiba. The institution was founded in 1989 by employees of Volvo do Brasil and Volvo in Sweden, with the support of the Swedish government.

A home and school for children and teenagers in risk situations, the Solidarity Foundation consists of a small village of six shelter homes, and common areas such as a library, computer room, football field and vegetable garden.

Social educators, aided by pedagogues, social service workers and psychologists, promote the reinstatement of children and adolescents into the social community,

endeavoring to achieve adoptions or family reintegration. The institution also offers the opportunity for children to develop cultural activities, including participation in the Solidarity Foundation Choir.

The Chamber also paid homage to Volvo's Traffic Safety Program (VTSP), which was initiated in 1987. Every year, a group of Brazilian participants travels to Sweden to further study traffic safety improvements.

Through a number of different actions, the VTSP targets mobilizing society towards a safer and more humane traffic. The main actions include: the Volvo Traffic Safety Award, held annually and divided into several classes; the Volvo Traffic Safety Forum, an annual event to discuss themes of importance to the sector; Technical Safety Debates—regional meetings for the discussion of specific regional themes; the "Getting About" Project, Volvo's proposal for secondary education schools/students; and the "Getting About" Youth Theater Festival, with theater plays performed by students from schools participating in the "Getting About" educational project.

Volvo was also honored for its "Volvo and the Environment" and "Volvo Quality of Life" Programs.

Respect for the environment is one of Volvo's three core values, next to Safety and Quality. The group is concerned with the environmental problems caused by the transport sector's huge dependence on oil and the world's growing energy consump-

tion. Actions include the recent introduction of a hybrid Volvo engine powered by diesel and electricity, the gradual reduction of carbon dioxide in the group's plants throughout the world, and the development of increasingly less polluting products with increasingly higher levels of recyclability.

Volvo do Brasil is totally aligned with the group's CO2 emissions reduction program. At the Brazilian factory, the reduction index has already exceeded the goals originally established for the global project.

Environmental concern goes beyond the production process. Volvo do Brasil carries out a number of environmental education projects aimed at society, including for example the Ecological Caravan, which has already involved thousands of Brazilian truck drivers, raising their awareness about the trafficking of wild animals and transporting hazardous cargo. Since 2006, the group has been maintaining in Curitiba the Volvo Environmental Center—a space for cultural, leisure and environmental research for the community in general.

The Volvo Quality of Life Program offers a wide range of benefits for employees and dependents and involves health and dental plans, pharmacy aid, programs to quit smoking and get rid of chemical dependence, nutritional follow-up, a private pension plan (Vikingprev) and the Viking Association. The latter is a venue for staff and family members involving leisure and integration activities. ■

Volvo recognized as one of 10 best companies to work for in 2007

Carlos Ogliari, head of Institutional and Governmental Affairs at Volvo do Brasil, receives the "Most Admired Company" award from Manuela Carta, publisher of Carta Capital magazine.



Volvo was recognized as one of the 10 best companies to work for in Brazil in 2007, according to a recent survey conducted by the Editora Abril magazines "Exame" and "Você S/A". Volvo was considered the fifth best company to work for throughout the country, the best in terms of health and the best in the Brazilian automotive sector.

Last year, around 500 companies participated in a strict selection process, which whittled the number down to 150 and, finally, the 10 best companies to work for. The best 150 companies to work for also include Aracruz, Stora Enso's partner in the giant Veracel pulp plant in Bahia, Bradesco, Brazil's largest private sector bank, and computer technology giant IBM.

The turnover of the 150 companies surveyed corresponds to around 17% of Brazil's GDP and together they employ 1.4 million people. The survey evaluated employee satisfaction in three categories: above 1,500 employees, from 501 to 1,500 employees, and up to 500 employees. Volvo has 2,200 employees. Volvo's final score—called the Happiness at Work Index—was 86.6.

This is the first time that Volvo appears

Tommy Svensson



among the 10 best companies to work for in Brazil, in what is considered the most in-depth survey of the working environment in companies conducted over the last 11 years by Editora Abril—one of the largest and most influential publishing groups in Latin America. "This is the result of the major program of investments in people management that Volvo has been maintaining for many years," noted Tommy Svensson, president of Volvo do Brasil.

Volvo was also considered the best in terms of health care for its employees. It was the only company to receive the top score (100) in health among all participating companies, meeting 100% of the enquiries made by the survey. This remarkable score shows how Volvo is concerned with the topic of health—not only with supplying a better health plan to its employees than that available on the market, but also with developing an extensive health prevention and maintenance program for employees and their families.

A team of specialized doctors permanently available; subsidies of 70% of the cost of medicine; a dental plan that includes the family; a health plan that includes surgeries for shortsightedness and stomach reduction; subsidies for the purchase of contact lenses; a nutritionist that closely follows the results of periodical medical exams; free vaccination against the flu; healthy food at work, among a series of other benefits—besides an entire leisure and sports infrastructure inside the factory—were the factors that guaranteed Volvo's top score.

The survey also considered Volvo the best company to work for in the Brazilian automotive sector. Brazil has 24 manufacturers of automotive vehicles (trucks, buses, automobiles, motorcycles, construction equipment and farm machinery). Volvo also had excellent notes in the following cate-

gories related to employees: "pride and identity" (96.4%), "professional development" (87%), "satisfaction and motivation" (91%) and "leadership" (88.7%).

The *Exame-Você S/A* survey also highlights Volvo's investments in the area of social responsibility, including in its Traffic Safety Program (VTSP), the largest and longest initiative in favor of safer traffic in Brazil. The survey also mentions the excellent profit sharing policy at Volvo—which in 2006 distributed R\$ 14.8 million to its workers, the equivalent of 2.5 additional salaries.

"Communication is very transparent at Volvo. Everyone knows the numbers, the results, and where the company is heading," stated Carlos Morassutti, director of Human Resources and Corporate Affairs at Volvo do Brasil.

Most admired

Volvo was also recognized as the most admired company among truck manufacturers in Brazil according to a survey entitled "The most admired companies in Brazil," conducted last year by "Carta Capital" magazine in conjunction with the TNS InterScience Institute. The survey involved interviews with 1,276 executives from 593 companies in 47 different sectors.

This was the first time Volvo appeared in first place in the survey, held for 10 years by "Carta Capital"—one of the most respected

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Swedish journalists visit Brazil

A group of journalists from "Affärsvärlden" magazine visited Brazil from December 13 to 31 to do a special edition about this country. "Affärsvärlden" is the biggest Swedish weekly business magazine and one of the oldest in the world, having first been published in January 1901. The publication's concept has more or less remained the same: to examine and analyze companies, politics and financial markets. "Affärsvärlden" is a



(Left to right), Francisco César M. Villela (one of the four owners of the Aralco group), "Affärsvärlden" journalist Linda Vikström and Swedcham's Peter Johansson.

working tool for Swedish decision-makers within trade and industry.

During their trip, the journalists visited Embraer, one of the world's largest commercial aircraft manufacturers, met with Brazilian Central Bank President Henrique Meirelles, toured an ethanol factory of the Aralco group, and visited Stora Enso, Scania and Haldex, among other activities. They also visited Swedcham, where they met with Octávio de Barros, chief economist of Bradesco, Brazil's largest private sector bank. Most of the visits were organized by Chamber Project Manager Peter Johansson.

In the magazine, the journalists paint a very positive picture of Brazil, which they called a "rising giant".

All the articles make comparisons between Brazilian and Swedish companies, with the balance tipping in Brazil's favor.

On their visit to the ethanol plant in Araçatuba, São Paulo state, the journalists took pains to make an objective overview as there is a lot of controversy surrounding ethanol production, but they were unable to find anything negative to write about.

"In general, they were very impressed with Brazil and the visit was very positive," said Peter. ■



...Doha Round

Continued from page 15

died a violent death, but a likely scenario could be painted, a scenario that points to a conclusion at the end of this year with lowered ambitions. Some market access openings in agriculture for exporting developing countries are a "must", and there seems to be enough political flexibility on behalf of the EU countries and the US to make that happen. In turn, leading emerging countries must ease import restrictions on some industrial products of interest to industrialized countries. President Lula has for instance announced that Brazil is prepared to give concessions, although he has not declared how much. If the EU gets what it wants, it would mean that the average import tariff for industrial goods in Brazil would be lowered from today's 14 % to 11.7 %. Out of 9,000 items, 4,950 would have lower tariffs.

There is one overriding argument in favor of finishing the round, preferably this year. A failure would have systemic negative consequences. The multilateral trading system would lose credibility, and countries would start to negotiate preferential bilateral or regional agreements. This implies among other things that it would be easier for larger countries to bulldoze smaller ones into agreements that not necessarily are in their favor or in their long-term interest. The WTO is the guarantor that all countries are treated reasonably equal in trade negotiations and in trade conflicts. The erosion of the system would be in no one's interest.

In a global economy, everybody, trading nations and the international business community alike, would benefit from a successful conclusion of the Doha Round. ■

Ethanol consortium

Swedcham Brasil has formed a consortium with Ecoflex and Brazilship/Scanbrasil called Brazilian Ethanol Supply & Trade, which has the necessary synergy to carry out joint tasks in order to provide a better service to clients.

The objective is to be a service provider dedicated to the ethanol fuel segment in the logistics chain for the international market, taking advantage of the expertise of the

consortium's partners.

From sourcing to delivery of ethanol at destination ports, Ecoflex has the competitiveness of a player dealing regularly with the Brazilian market, counting with the expertise of Brazilship in ship chartering, identifying the best alternatives and quality ships, together with the credibility of Swedcham identifying demand and clients. ■

...Consulting

Continued from page 7

with option for an extension to an additional 36 months of rental. It will then include all eight rigs they control from Macaé. The container is now in full operation onboard the Sedco 707 semi-submersible drilling rig.

Uson Marine has been working with arrangements for this project since the beginning of 2007. "The help we have received from Swedcham has been essential to the success of this project," said Uson Marine Area Sales Manager Peter Johansson.

"Jonas Sjöbom has helped us from the start with finding our collaboration partner Five Star Services, and later on in the project by using his connections and know-how to set us up with juridical and logistics companies," the executive added. "Running a project from Sweden in Brazil is close to impossible without a strong local support, and it is clear to us that we could not have had a better start than the one we have received by cooperating with Swedcham."

According to Jonas, the cooperation started after Lars U:son Lundberg, founder of Uson Marine, contacted Hugo Oljemark, head of the Brazilian Chamber of Commerce in Stockholm. "It was through Hugo's indication that I got in touch with Lars, who wanted to find ways of promoting his products in Brazil," recalled Jonas. He organized a visiting program that included key players involved in the local offshore industry, including Skansa, Alfa Laval and, of course, Five Star Services.

"I accompanied Lars to all the companies in Macaé," said Jonas, adding that following these discussions it was agreed to approach Five Star Services. "We had a six-hour meeting with Eddy Hedström, the head of the company, who has a vast experience in the offshore industry, having worked with platforms for many years." Thus it was agreed that Five Star would run the containers

leased by Uson Marine.

Jonas noted that Uson Marine exhibited one of its containers at the Brasil Offshore 2007 oil & gas fair held last June in Macaé, where Five Star also displayed its services. "This was a great market entry for Uson Marine, which was able to show its equipment to all the big companies in the industry. And we are pleased to note that both Uson Marine and Five Star Services are now Chamber members."

"After the try-out period with Transocean, Uson Marine is open to other opportunities in which the Chamber can provide more services," Jonas noted. "I am personally very enthusiastic about this project because it has to do with recycling and involves a small business in Sweden that has a huge potential in the Brazilian market—where sustainability and environmental issues are of growing concern." ■

...Volvo

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weekly magazines in Brazil. In the previous edition, Volvo came in second in the segment in which it operates. "This result is important as it shows how Volvo's efforts in investing in people, quality, security and respect for the environment have been bearing fruit," said Svensson. ■

...Oil & Gas

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moment of the oil & gas industry worldwide. The exploration portfolio Petrobras has built in the GOM provides a scenario of growth in the years to come so as to allow the materialization of the long-term plan

the company has for the GOM.

The company nowadays has more than 400 employees and intends to double this number with the upgrade of the Pasadena Refinery (50% owned by Petrobras) from the actual processing capacity of 100,000 bpd to 200,000 bpd in the near future. This was another smart solution because, instead of selling the Brazilian heavy oil that has lower value in the market, the decision was to add more value and sell the final products like gasoline and diesel, among others.

An interesting fact about this development is the intensive involvement of the Norwegian industry, including the production facility of BW Offshore (and APL), the drilling rigs of Larsen Oil & Gas (pic 2) and Sevan Marine, the last one using for the first time the drilling design of a round platform (pic 3), and others like ClampOn and Aker Kvaerner with state-of-the-art solutions.

Other challenges like high pressure (up to 18,000 psi in the field) and high temperature demand equipment and solutions sometimes not available/qualified in the market yet and for these reasons Norwegian companies with top technologies can make Chinook development a great example of how three nations can be tied by one name.

Chinook meanings:

- Name of an important North American Indian people
- Pacific salmon
- Warm dry wind blowing down the eastern slopes of the Rockies

"Born in Santa Catarina State with Norwegian ancestors, Johnar Olsen worked for AkerKvaerner for 11 years, after which he resigned from his position as Country Manager and joined Innovation Norway through the Norwegian Consulate General. He is a mechanical engineer with an MBA in Executive Management, including petroleum specialization in Houston.

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