

MAY - JULY 2019

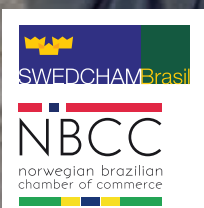
NordicLight

A JOINT SWEDCHAM / NBCC PUBLICATION



SEB brings biggest Nordic business delegation ever to Brazil

SEB Chairman Marcus Wallenberg with
Swedcham Chairman Nils Grafström



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4. SEB brings biggest Nordic delegation ever to Brazil, and CEO Marcus Wallenberg grants interview to this magazine.



26. Last year was a highly productive one for Saab's Brazilian Gripen Program.



28. With a more than BRL 2.6 billion investment, Scania is preparing for a new era of sustainable transport.



30. Ahlstrom Munksjö invests BRL 420 million to acquire a specialty paper mill in São Paulo State.



34. Swedcham interviews Claudia Wallin, author of "Sweden—The Untold Story".



37. StormGeo acquires majority stake in Brazil's Climatempo.



38. Equinor's new country manager in Brazil, Margareth Ovrum, is setting out on groundbreaking enterprises.

Others

8. Business Sweden >> 14. Embassy Update >> 18. Sweden in São Paulo
 20. Brazilcham News >> 22. Otavio Lucchese. >> 29. Sandvik >> 37. NBCC pages.
 50. Swedcham News. >> 58. Legal Framework for Business Development
 60. Communication & Marketing. >> 62. Human Capital >> 64. Finance Committee

Marcus Wallenberg talks with Swedcham during major SEB event held in São Paulo

The Chairman of SEB, Mr. Marcus Wallenberg, was interviewed by Swedcham Chairman Nils Grafström on the occasion of the SEB Nordic CEO Conference which took place in São Paulo in March and involved the biggest Nordic business delegation ever to Brazil. The Conference is an annual event of the Bank's most important corporate customers. This year, about 90 business executives participated in the meeting, the first of its kind to be held in South America. About half were from Sweden and half from the other Nordic countries.



Dear Mr. Wallenberg, we were very pleased with the fact that SEB chose São Paulo and Brazil for the annual Nordic Business Delegation. Which were the main reasons for choosing Brazil? We understand that this was the first time in South America.

São Paulo was in many ways an obvious choice. Brazil is one of the largest economies in the world, a dominating power when it comes to natural resources and energy, home to a strong innovation ecosystem and start-up scene, and has for decades been talked about as a coming leading global power. It has close ties to the Nordic region and has attracted large Nordic investments for a long time. All these features make São Paulo

an excellent choice, so maybe the question should rather be why it took us so long to come here.

As you have been to Brazil several times before, do you sense any changes here today compared to previous visits?

I have been here quite a lot throughout the years, not least as Chair of Saab, but also in other capacities. The sheer size of this multimillion city, the intensity of everything going on and the openness among people, are features that amaze me every time. What also amazes me is how good we go together, Nordics and Brazilians, even though we are quite different.

This time around, however, I would say that there is a sense of change. The country is at crossroads both politically and economically, and to some degree even culturally; and in a way it seems like Brazil is trying to redefine itself. When consuming local media and talking to people down here it is clear that the country is gearing up to meet the future.

You have met many Swedish companies in Brazil during your visit - what message do you take back to Sweden?

São Paulo is one of Sweden's largest industrial cities, and I am very impressed by the substantial operations and large-scale Brazilian presence of many Swedish companies.

What I will bring back, both to guide my own thinking on Brazil and to convey to others, is the enormous potential of Brazil, which can be realized if it opens up to the rest of the world, improves its general business climate and allows for foreign investments to a higher degree.

The EU-Mercosur trade negotiations have not been making progress for many years. What is your view on this and what would the negative impacts be, both for Brazil and for the EU, if such an agreement would not be entered into?

I am concerned about the current development of global trade. I am a strong believer of free trade and have been driving these issues in the International Chamber of Commerce and in other contexts for many years now. It is worrying that free trade and the rules-based world order are under threat. Sadly, we see the deliberate undermining of the institutions that are set up to support and regulate trade in many parts of the world.

However, although multilateral agreements are always preferable, lately we have seen an increasing regional and bilateral approach to trade deals. I am very pleased that the EU, the largest free trade area in the world, is still forcefully pursuing, negotiating and signing free trade agreements all over the world, most recently with Canada and Japan. I believe this is the way forward and that these agreements will serve the EU very well – it will increase our trade with these countries and strengthen our strategic and commercial relationships.

To me, it is obvious that Brazil should support its struggling economy by gradually opening up the economy. Free trade agreements are very powerful tools to do just that. Through an EU-Mercosur agreement, Brazil would become an important gateway to the broader region and as such attract foreign investment and business from all over the world.

You have always been a strong advocate for free trade. Brazil has for a long time been restricted imports through very high tariffs, and at the same time productivity in Brazil is very low compared to many other countries. Also growth is low. However, the new Brazilian administration seems to be in favor of a more open



São Paulo State Governor João Doria, SEB Chairman Marcus Wallenberg and Ambassador Per-Arne Hjelmborn during the dinner held at the Governor's Palace in São Paulo.

economy. Considering the size of the Brazilian economy, how important is an opening of the economy for Brazil and how would such step impact the companies within the Wallenberg sphere in this country?

With trade flows averaging at 25 percent of GDP, Brazil is one of the world's least open economies. I believe it is vital for Brazil to open up its economy. Right now, Brazil is balancing between prolonged economic stalemate and further social unrest on one side and finding its way back to growth and social progression on the other. I do believe that this is a defining moment for the Brazilian economy. The choices made today will put their mark on the country for years to come.

Now, after almost five years of deep economic recession, Brazil is slowly picking up speed again. However, to gain real momentum, public finances need to be put on a sustainable footing through reforms and the not so easily navigated Brazilian economy. Brazil is ranked 109 in the World Bank annual ratings on ease of doing business and could benefit from further liberalization, deregulation and free-market reforms to boost investment, innovation, and to climb the value chain.

China is one of the most important trading partners of Brazil. President Trump is increasing tariffs on imports from China, seeking a "new balance", and Mr. Bolsonaro seems to talk in the same direction. Apart from the obvious, risking retaliation, how would such policy affect the Swedish companies in Brazil?

The US-China relationship is central here. An intensified and prolonged trade war between the US and China will not be good for business anywhere, and the tangible effects of such a scenario are difficult to overview and predict. Hopefully they will be able to reach a deal that will stabilize their economic relationship and relax the growing tensions globally.

On a more general note, I hope that we can return to a rules-based world order where countries settle trade disputes orderly through the WTO instead of imposing tariffs on each other and initiating trade wars.



The SEB Conference finished with a lunch with invited guests during which the double taxation treaty between Sweden and Brazil was signed.

Brazil has a very regulated bank sector with few big private banks. Do you see that SEB with its Rep Office in São Paulo will have more business opportunities over the coming years?

SEB has been in Brazil since 1972, which reflects our long-term commitment to this country. Our main strategy is to help our Nordic, German and UK customers to further develop their local business by providing the financial support they need.

We have a dedicated team in São Paulo with deep knowledge of local markets, which enables us to be a trusted advisor for existing customers and newcomers alike. We are increasing our relevance and growing market share year over year.

I do not see the big private banks in Brazil as competitors, but as business partners. For example, SEB has developed good cooperation with those banks in the Trade Finance spectrum whenever they are financing our core customers. We are also helping some of them to trade FX of Nordic currencies due to our strong presence in the region.

Swedish industry and business in general have a very good reputation – and for good reasons - in terms of CSR, including compliance and transparency. How can Swedish companies benefit from its good reputation in Brazil?

Trust is an essential part of doing business – not least for us as a bank. Trust reduces transaction costs and drives efficiency both in individual business relations and for society. Being perceived as a reliable and trustworthy business partner is a huge strategic advantage which we should take pride in, cherish and nurture.

I understand that Brazil is now taking serious action to combat corruption and hopefully Swedish companies can contribute to this development. Tougher demands and regulation on transparency and compliance would mean increased opportunities for Swedish companies as well.

Having the Chairman of Saab in front of me, I have to ask you how the Gripen program is developing, both in Brazil and in Sweden.

I am happy to say that the Gripen program in Brazil is running well

and according to plan. The program includes an extensive transfer of technology to Brazil, involving more than 60 offset projects. Already 165 engineers from Brazil have been trained in Sweden. Most of them are now working at the Gripen Design and Development Network (GDDN) facilities, the hub for technology development of the Gripen in Brazil.

The first Brazilian aircraft is now in the last phase of final assembly in Linköping and we are looking forward to starting flight tests later this year.

Saab is driving the development of the local aeronautical industry in Brazil. Recently AEL Sistemas, an important Brazilian partner, became a global supplier for Saab after the acceptance of the Swedish Air Force to include the same modern cockpit displays as the Brazilian Air Force, harmonizing the Swedish and Brazilian programs.

Finally, you have a vast experience of Chambers of Commerce around the world and you have been the Chairman of ICC. How do you see the role of Swedcham, the Swedish-Brazilian Chamber of Commerce, now and in the future?

As a result of the current trends in international relations, with more protectionism around the globe, I regret to say that in the years to come, international trade will most likely be characterized much more by bilateral deals and the self-interest of the large superpowers, than by cooperation and multilateral agreements. Therefore, it is more important than ever to stand up for free trade and international cooperation. As a business leader, I cannot stress this enough. The global uncertainty when it comes to protectionism and trade barriers is very harmful for corporate decision making on future activities and investments. Ultimately, it will harm global growth. This is an area where I think the ICC has a huge role to play and one where every national chamber should speak up and be a strong voice of business in the debate.

Given the transformative phase of the Brazilian economy, the Swedish-Brazilian Chamber will also have a great role to play in monitoring the developments, analyzing progress and conveying a balanced and educated opinion to Swedish companies to help them navigate the Brazilian economy. ■

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During a time of optimism for the Brazilian economy, the Brazil-Sweden Business Leaders Forum 2019 received great attention.



Opening of the 3rd Brazil-Sweden Business Leaders Forum.

Brazil on the move

As part of the strategic partnership between Brazil and Sweden, the 3rd Brazil-Sweden Business Leaders Forum was held on March 19 in São Paulo. C-level leaders from some of the largest companies in both countries got together to discuss new collaborations and potential partnerships with great enthusiasm. This event came in times of optimism about the business environment in Brazil.

Before the meeting, larger Swedish subsidiaries, members of the BLF, were asked by Business Sweden how they currently perceive the Brazilian market, the outlook for the future and the role BLF would play. Clearly a positive view is dominant, as more than half of the companies have experienced an increase in revenues for 2018 and more than two-thirds will invest further into the market in 2019.

Expectations from the members are that there will be positive developments coming from the Brazilian government, such as macro reforms with less bureaucracy and the move towards a more open market with lowered taxes and import/export hurdles. Opportunities are believed to be found in infrastructure, transport & mobility, defense and agribusiness. Other high potential areas include mining, oil & gas, IT & digital, telecom and bioeconomy.

However, the subsidiaries still feel there is a lack of infrastructure and knowledge in the country for Swedish digital solutions, financing options and collaboration programs in general. We at Business Sweden have reacted

upon the latter by creating platforms like Strategic Mining Alliance and the corporate venture arena "Thor" (see further down in this article).

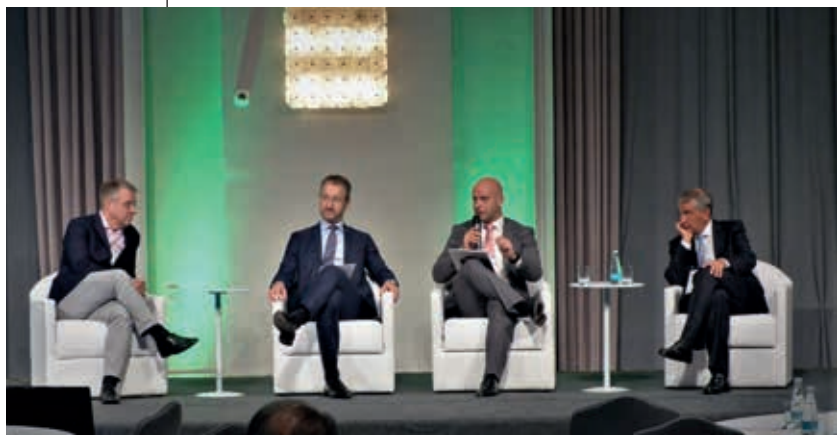
The Brazil-Sweden Business Leaders Forum 2019 started with a joint lunch together with the SEB delegation (see cover story) at Palácio Tangará in São Paulo—130 business executives, of whom 58 were Swedish corporates, gathered together with Brazilian counterparts and high-level officials for a keynote and networking luncheon. This was the largest Swedish high-level business meeting ever to take place in Brazil.

Members of the highly renowned Swedish Walenberg family participated in addition to the global CEOs of various Swedish companies, which demonstrated that they see a high potential in Brazil and are ready to invest their time and effort to support their companies' activities here.

During the luncheon, the signing of the double tax treaty between Brazil and Sweden also took place – a historical moment. On the Brazilian side Marcos Cintra, Special Secretary of the Brazilian Federal Revenue Service, signed and the Swedish Ambassador to Brazil, Per-Arne Hjelmboorn, signed for Sweden. This double tax treaty is an extension to include further areas of income into the already existing treaty to avoid double taxation in the two countries. For more information on the tax treaty see separate article on page 12.

After lunch, the Business Leaders Forum continued with inspirational cases and keynotes. Members from Brazil's new government guaranteed that it

Reflections on the forum with (from the left) SKF CEO Alrik Danielsson, Swedish Ambassador Per-Arne Hjelmboorn, Marcelo dos Guarany of Brazil's Ministry of Economy, and Stefanini CEO Marco Stefanini.



will, during the next months, pass macro reforms such as the pension system which will accelerate economic growth in the next years. Brazil is on the way to becoming once again the vast land of business opportunities that we know it has the potential to be. Swedish companies are supporting this process and do see trustworthy and open-minded partners for future cooperation in Brazilian companies.

Innovation was in the center of debate, and the Forum went deeper to discuss how to get there. Companies shared their experience on digitalization while partner institutions introduced available financing options and partnership alternatives for education on a technical level.

Going forward, we at Business Sweden will

remain as the main point of encounter for Swedish and Brazilian business collaborations. We will be driving exciting activities to connect people, share knowledge, create value and identify opportunities for collaboration in areas where both Sweden and Brazil can contribute with their expertise. As a new tool to foster innovation and bilateral collaboration, Business Sweden introduced the Thor platform, a bilateral corporate venture arena for engaging corporates with startups to accelerate innovation and reach untapped new markets.

We will actively work to facilitate further meetings between the two countries and do see bright days ahead for Swedish-Brazilian cooperation. A new time for business in Brazil has begun! *Vamos!* ■

Swedish Strategic Alliance for the Mine of the Future

During the same week as BLF, a 1st roundtable meeting on “Mine of the Future: Formation of a Swedish Strategic Alliance” was held and served as a first stepping stone for a learning and sharing mining platform between Swedish and Brazilian companies and participation of academic experts. The focus of the platform will be to help Brazilian mining companies to face their most pressing issues by sharing the Swedish knowledge and expertise.

All participants showed great enthusiasm to deepen collaboration and a strong belief that by working together, Swedish companies can strengthen their positions. With topics such as sustainability, safety, digitalization, electrification and autonomous operations gaining momentum in Brazil, the timing for this initiative is particularly promising as Swedish companies have in their portfolio state of the art products and solutions that could help shape the Brazilian mining sector in a more sustainable and efficient direction.

In the upcoming years, mining has been highlighted as one of the main areas with potential for cooperation between Sweden and Brazil. Mining is a relevant business area for Swedish companies



mainly for equipment and materials, and opportunities in Brazil are found in areas such as operational excellence, circular economy, management of tailing dams, waste disposal, underground mining, health and safety and renewable energy in mining, where Sweden has a strong position globally.

After a successful kick-off, we will now proceed, together with the Swedish companies, to shape the strategic mining alliance and define the topics in focus to help build a more sustainable and “Swedish” mining industry in Brazil. ■

Formation of a Swedish Strategic Mining Alliance with subsidiaries.

Contact us at Business Sweden if you would like to be part of this initiative and the upcoming activities.



It is difficult to write about the Chamber and all its activities without also commenting on the macro situation of the country itself. In order to invest for continued growth our members depend on responsible public governance, long-term financial planning and constructive negotiations on the important reforms.

Our business climate survey at the end of 2018 showed a good deal of optimism, but now after the first quarter of the new government, business leaders are concerned with so little change and so much confusion in the communication among the executive, legislative and judicial branches. In this period of uncertainty, it was very encouraging to see that SEB chose the city of São Paulo as the venue for their annual executive conference. Marcus Wallenberg and his closest team brought the biggest Nordic delegation ever to Brazil, and this was not because of the new government—presidents come and go—but because of the country with its huge potentials and business opportunities for Nordic companies.

The Brazilian-Swedish journalist Claudia Wallin's interview in this edition also gives hope, since her book on transparency and ethics in politics is becoming a best-seller in various languages.

Transparency International, the four Nordic Embassies and the four Chambers of Commerce have recently signed a strategic partnership agreement with the Brazilian government in which the main message is that we support all efforts done to elaborate and implement activities aiming to promote integrity, transparency and accountability in Brazil.

We will continue to invest in social media, events on digitalization, tech solutions, AI, IoT etc., and we hope to see many of you IRL at our premises, but also online this year!

Jonas Lindström
Managing Director,
Swedish-Brazilian
Chamber of Commerce



This is my last editorial as NBCC chairman, and it is with satisfaction that I see NBCC consolidating its position as a mature and important forum for the promotion of business, enhancing Norwegian-Brazilian cooperation even further. NBCC now has 128 members, ranging from startups to major international players, all contributing to this development.

The new Brazilian administration has initiated an ambitious program of opening the economy, of privatizations and more liberal policies. To achieve real change is hard, and the process causes reactions, but I trust we are moving in the right direction.

Brazil and Norway have a long-term relationship where ethics, sustainability and technology will be the main pillars for the future. During Nor-Shipping in Oslo in June, Team Norway will organize the third edition of the Brasil@Norshipping seminar, where important stakeholders will discuss how to maximize our cooperation, considering the new investment cycle we face.

I would like to finalize expressing my deepest gratitude to the Norwegian-Brazilian community, to Team Norway, to the working committees of our chamber, to Gloribel Garrido Thompson-Flôres and to our board for the excellent job they are doing, taking NBCC to where we are today.

To continue growing in importance, I stimulate all members to actively participate in NBCC activities.

I would also like to thank Swedcham for the fruitful collaboration.

I am now ending a two-year mandate and I am pleased to hand the presidency over to Alex Imperial, who will continue the development of the Chamber, adding value to our associates.

Rachid Felix
Chairman,
Norwegian-Brazilian
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Embassy Update



The signing ceremony (from the left): Ambassador Per-Arne Hjelmhorn, Marcos Cintra and Marcelo dos Guaranys.

Sweden and Brazil update double taxation treaty at BLF

On March 19, Sweden and Brazil signed an updated double taxation treaty after many years of negotiations – the former treaty was from 1975. A few years ago, an updated double taxation treaty with Brazil was identified as the highest priority for Swedish companies, among all possible bilateral Swedish international agreements in this field. Now, only the ratifications in the two countries remain before this long-awaited treaty can enter into force.

The treaty was signed at the Brazil-Sweden Business Leaders Forum, which took place in São Paulo on March 19. The BLF is a private business part of the bilateral strategic partnership between the two countries, and high-level meetings occur every two years. Chairman of the Swedish side is Alrik Danielsson, CEO and President of SKF. On the Brazilian side, it is Marco Stefanini, CEO and President of Stefanini. Business Sweden is appointed to lead the operational work and to prepare an action plan, with support from the Brazilian National Confederation of Industry (CNI).

At the previous BLF meeting, in 2017, the Swedish King and Queen attended, alongside then President Michel Temer. At this year's edition,

several of Sweden's largest companies were represented by their CEOs or Chairmen. The CEOs and Director Generals from Business Sweden and the two Swedish export credit organizations EKN and SEK were also present. Brazil was represented by three significant Vice Ministers: Marcelo dos Guaranys, Deputy Minister of Minister of Economy Paulo Guedes and acting minister at the time of the BLF; Marcos Cintra, Vice Minister and Head of the Brazilian Federal Tax Agency; and Caio Megale, Vice Minister for the Development of Industry, Trade, Services and Innovation.

The days before the BLF offered a certain amount of drama with regard to the double taxation treaty. Would there be time enough to issue all the necessary documents granting the necessary powers to the signatories on both sides? Fortunately, everything was settled just in time and Ambassador Per-Arne Hjelmhorn and Vice Minister Marcos Cintra could sign the agreement surrounded by the Swedish-Brazilian business community.

After the signing, the Embassy has received appreciating words from several countries still negotiating their updated double taxation agreements. That Sweden and Brazil have managed to conclude the process is a good sign of our strong bilateral collaboration, and we hope the new agreement will benefit both countries, as well as all companies, businesspeople and citizens involved in the bilateral exchange.

What is the main difference between the old and the updated treaties?

This is how Mats U Andersson, responsible for the treaty at the Swedish Ministry of Finance, explains the main differences between the new and the old versions of the treaty:

In the negotiations to change the double taxation treaty between Sweden and Brazil, it has been an important priority for Sweden to lower the highest level of withholding tax that can be charged by one of the parties to the agreement, on

payments such as dividends, interest and royalties made to a person in the other country which is party to the agreement. The updated protocol lowers these levels significantly.

In connection with this, the agreement also stipulates that these levels could be lowered further if Brazil would enter into an agreement on lower levels of withholding tax with other OECD countries outside South America. Sweden and Brazil have thereby ensured competitive rules in the longer term. Since one of the main functions for tax agreements is to provide predictability for investments and establishments, this has been a high priority for Swedish companies.

Both countries have also participated in the international project BEPS (Base Erosion and Profit Shifting), under the coordination of G20 and OECD, to avoid erosion of the tax base and tax withdrawals. Among the outcomes were new minimum standards for double taxation treaties, with regards to clauses to prevent misuse of the treaties and improved access to conflict resolution mechanisms for tax subjects. The updated double taxation treaty meets these new standards. ■

**Text and photo by Nils Hedberg Grimlund.*

An effort against plastic and pollution in Santos

On March 22, the Embassy faced the grim realities in maritime pollution in Santos, São Paulo, in connection with the World Water Day.

The Swedish Government and the Swedish Environmental Protection Agency are providing technical support and financing to the project *Fighting the land sources of solid waste marine pollution* in Santos, in partnership with Abrelpe (The Brazilian Association of Public Cleansing and Waste Management Companies).

The Brazilian Ministry of the Environment, the Municipality of Santos and Swedish representatives started the day with taking part in a cleanup action in severely polluted mangroves, and later moved to downtown Santos for the launch of



Brazil's *National Action Plan against Marine Littering*. The National Action Plan was one of the new Brazilian administration's 35 priorities for its first 100 days. ■

**Text and photo by Faraz Davani*

Come and show your innovations with us

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WEEKS 2019

The preparations for the 2019 edition of the Swedish Innovation Weeks in Brazil are going full steam ahead. During the two last weeks of September, events will take place in many parts of Brazil, showcasing innovative Swedish solutions and what Sweden and Brazil do together to speed up further innovations.

All Team Sweden organizations in Brazil are involved – the Embassy and the Consulates, Business Sweden, Swedcham and CISB, as well as many Swedish and Brazilian organizations and companies. In 2018, more than 35 events took place during the two weeks, and we aim for a similar number this year.

There is still plenty of room to include more Swedish companies on the agenda. You are most welcome to contact us at the Embassy or one of the other Team Sweden organisations to see how your company could fit in. There are good opportunities for you to gain some nice exposure and new contacts, and it helps showing more of Sweden and the exchange between our countries.

At the time of writing, we have still not published any events for 2019 on the Innovation Weeks web page, but you can gain some inspiration from last year's edition at: www.inovacaosueciabrasil.com.br.

See you at the Innovation Weeks in September! ■

**Text by Nils Hedberg Grimlund*

A woman is shown from the chest up, wearing a pair of black augmented reality (AR) glasses. She is looking slightly to the right. In the background, there is a futuristic digital interface with various circular gauges, lines, and data points. A hand is visible on the left side of the frame, interacting with the interface. The overall scene is set against a blurred cityscape background.

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Recent novel brings new knowledge about Swedish migration to Southern Brazil



Gustavo Erasmie and Mats Erasmie in Oberá, Argentina.
(Photo courtesy of Mats Erasmie)

Many of you readers might already be aware of Sweden's long history in Brazil. The fact is that in 2026 it will be 200 years since diplomatic relations were established between the two countries. A less known fact, even in Sweden, is that there was a wave of Swedish immigration to Brazil in the late 19th century, around 1890. In total, about 10,000 Swedes embarked towards Brazil, and those who

made it through the long trip and other ordeals met throughout the journey, started their new life especially in the state of Rio Grande do Sul, but many later crossed over the border to northern Argentina and the Misiones region, around the city Oberá.

Very little has been written about this migration, but recently a novel was published in Sweden called "The Caravan of Death".

The Consulate took the opportunity to interview the author, Mats Erasmie, since the book in its biggest part takes place within our consular district. A longer interview can be found in Swedish and Portuguese on our webpage, www.consuladосуeciasp.org.br.



How come a business administrator with a background from the publishing sector became interested to get to know more about the Swedish migration to Brazil and Argentina?

In 1901, a relative of mine emigrated to South America and after having spent time in Brazil, the Antarctic and a career in Buenos Aires he bought land in Oberá (Northern Argentina) and founded Villa Erasmie. Through his faith I got in contact with the whole history around the immigration and all the people, whose history no one before has told in the form of a novel.

Your book "The Caravan of Death" was published in 2018 – how do you think the interest for it has been so far?

The interest has been and is still very big. The audio book became number seven in terms of sales in Sweden last year and personally I have now held 41 lectures around the topic. I have also given interviews on the radio and had the

opportunity to spread the knowledge about the faith of the Brazilian-Swedes. Apart from that many readers have contacted me and shared the stories of their ancestors.

The book has so far only been published in Swedish – are there any plans to publish it in Portuguese and/or Spanish?

I guess I can tell you that this is a wish of mine. I would be very happy if this would be made possible and I would gratefully receive any tips and/or help to make this happen. I have also had some meetings with a famous film producer/director in Stockholm about a possible TV show. Time will tell what will happen.

How come Brazil had agents in Sweden, among other countries, in order to recruit immigrants to the country?

As late as in 1888, slavery was abolished and one year later the emperorship as well. So there was an ambition to modernize the country, improve the use of natural resources and increase the agriculture over waste areas. For this people were needed. There are also some sources insinuating that the people in power had a wish to “whiten” the land by importing white labor from all the corners of Europe.

Why do you think so much has been written about the Swedish migration to the US, but so few know about the wave of migrants to Brazil?

Basically, for two reasons. Over a million Swedes went to the US and a couple of hundred thousand came back home again. A lot of people today have relatives, who made that trip.

To Brazil we are maybe talking about some 10,000 people and very few of them succeeded in getting back home. Another big difference between the people who returned is that very few of the ones coming from Brazil talked about their experiences. Maybe because of a feeling of failure. And then we should not underestimate the importance of the migrant epos by Villhelm Moberg and the fantastic movies by Jan Troell.

Thank you for the fascinating book and the interview. We hope to be able to listen to a presentation from you upon your next time in Brazil!

Yes, that would be a real pleasure to do so and I am hoping this will happen. Looking forward to your invitation! On October 21, I will hold a lecture in Club Sueco in Buenos Aires. ■



Visit to Mogi das Cruzes: (from the left) Adriano Machado (CEO of Högånäs), Euripedes Guardia, Finance Director at Högånäs, Peter Johansson, and Clodoaldo Aparecido de Moraes, Secretary for Economic and Social Development.

EU Consulates pay official visit to the city of Mogi das Cruzes

November 30 was a historic day in the city of Mogi das Cruzes, located in the metropolitan area of São Paulo. Ten countries from the European Union visited the city upon an invitation made by the city's Mayor Marcus Melo and his deputy Juliano Abe and the coordination of Belgium's Consul General Charles Delogne. Sweden was represented by Vice Consul Peter Johansson.

Mogi das Cruzes is the first city to receive a visit by the European Consuls in São Paulo, but throughout the day all participants agreed about the need for leaving the metropolis more frequently in order to be better informed about business and other opportunities in strategic cities in the interior or even other states. Sweden already has some investment in the city through Högånäs, which has a plant in the city and as late as in 2018 announced a further investment of BRL 50 million.

The visit had its focus on getting to know the local industry sectors, especially agriculture, education and technology. Visits were made to a start-up lab called “Polo Digital”, a mushroom producer as well as head office of the virtual university UNIVESP and the School of Governance and Management. ■

Nanocomposites event

During the last edition of the Swedish-Brazilian Innovation Weeks the Consulate in collaboration with CISB organized an event around the latest research in the nanocomposites and graphene area. Presentations were held at the Consulate by lecturers from Chalmers University and Saab. ■



Ambassador Nelson Tabajara (to the right) and the Mayor of Linköping, Mr. Lars Viking, addressing the Brazilian Community in Linköping. (Photo by Elisa Sohlman)



The meeting with the Brazilian community in Linköping on February 27 inaugurated a series of similar visits that Ambassador Tabajara has planned for the near future. (Photo by Elisa Sohlman)

I Meeting of Brazilian Entrepreneurs in Sweden

The Embassy of Brazil, supported by Brazilcham, organized on March 28 from 3 to 5 p.m. the I Meeting of Brazilian Entrepreneurs in Sweden.

The initiative aims to create a platform for networking and exchange of experiences with the community of Brazilian businesspeople in Sweden.

The evening was opened by Ambassador Nelson Antonio Tabajara, moderated by the head of the Embassy's Commercial Department, Secretary André Costa, and throughout the program we could listen to the Brazilian entrepreneurs who attended the event.

"One of my main missions as Ambassador is to promote Brazilian business in Sweden and to support them, with all the resources Brazil has, through its Embassy. The

The I Meeting of Brazilian Entrepreneurs in Sweden was moderated by the head of the Embassy's Commercial Department, Secretary André Costa. (Photo by Darcilene Feraru)

Brazilian businessmen and businesswomen are the key for that mission, and a very important sector in the core of the Brazilian community in Sweden," said Ambassador Tabajara about the initiative.

Mr. Tabajara, who took office in December, opened a tour to meet the Brazilian community in Sweden with a visit to Linköping on February 27, where the Embassy, besides meeting the local politicians and business representatives, organized the first meeting with the Brazilian community over there; an agenda supported by Mr. Magnus Anseklev, Brazilcham's representative in Linköping. ■

Brazilian Swedish Female Leaders 2019

On March 28, Brazilcham, in cooperation with the Embassy of Brazil, organized its annual traditional Women's Day. We had the honor of listening to five female leaders with varied backgrounds who share similarly exciting histories. The event, which took place just after the I Meeting of Brazilian Entrepreneurs in Sweden and was held at the Embassy's premises, was opened by H.E. Mr. Nelson Tabajara, who highlighted the importance of the initiative, especially due to the fact that most of the Brazilian entrepreneurs in Sweden are women.

The first speaker was Mrs. Helene Hellmark Knutsson, who served as Minister for Higher Education and Research in





(From the left): Mrs. Elisa Sohlman (Brazilcham); Rear Admiral Ewa Skoog; Mrs. Helene Hellmark (Riksdagen); Mrs. Petra Wadström (Solvatten); Ambassador Nelson Tabajara; Ambassador Annika Markovic and Mrs. Åsa Uhlin (Veckans Affärer). (Photo by Ulisses Capato)

the Swedish Government from October 2014 to January 2019; she was also County Council Commissioner and group leader of the Swedish Social Democratic Party at Stockholm County Council; Municipal Commissioner and Mayor of the Municipality of Sundbyberg and, at the moment, is a Member of the Swedish Parliament where she, among other assignments, holds the post of Deputy Chair at the Committee on Industry and Trade.

She shared her experiences as a young woman and mother in politics and how these features were far too many times used to put in doubt her ability to assume leading positions. At the end, none of them "prevented" her from laying the foundation for Sundbyberg's development and ensuring the fastest-growing city in Sweden!

In sequence we listened to Mrs. Ewa Skoog Haslum - Deputy Vice Chancellor at the Swedish Defense University and first female Admiral in the Swedish Navy; currently she is the female officer with the highest rank within the Swedish Arm Forces and is the first woman to hold the title of Rear Admiral in the Swedish Navy. Her remarkable career includes positions such as commander of Sweden's 4th Naval Warfare Flotilla, Sweden's naval rapid-response unit. Mrs. Haslum gave us a very positive testimony about her journey in the Armed Forces but also shared the frustration about being referred as the "female officer" and looks forward to the time when she and other colleagues will be regarded only as the professional they are without being referred by the gender they belong to.

After that it was the turn of Mrs. Åsa Uhlin, editor-in-chief of the leading business magazine in Sweden, Veckans Affärer. With vast journalistic experience, she was previously the publishing director for Bonnier Leadership, Bonnier Academy and Medibas. Before that she worked as a journalist at Dagens Medicin, Finanstidningen, Dagens Poli-

tik, Länstidningen in Södertälje and Upsala Nya Tidning. Uhlin told us the history behind the Veckans Affärer's yearly ranking of the 125 most powerful businesswomen in Sweden: "When we started to list a number of successful women in Sweden, we had a hard time being able to raise the railings over more than 10, but now the number is considerably larger." She underlined the importance of such lists for empowerment but also as a thermometer which shows the barriers women still have to break.

The last Swedish speaker was Mrs. Petra Wadström, the inventor and founder of SOLVATTEN® - a technology that treats and heats water with the use of solar energy. Today Solvatten is used in over 20 countries reaching 60 000 families. Wadström, a biochemical-medical research technician at the Karolinska Institute who after several years of research in Biozentrum, Basel, turned her focus to art, has been awarded many prizes and recognition: Skapa prize 2008; Polhem prize 2015 and EU Women Innovation prize 2017. In 2013, she also met President Barack Obama on his visit to the Royal Institute of Technology in Stockholm to see the latest developments in energy solutions, research, and innovation.

We would like to thank the Embassy of Brazil, in particular SECOM, for their support; our speakers; guests and sponsor Dona Doceira for helping us make the evening a great success! ■

Brazilian Swedish Female Leaders 2019 - The event was held at the Embassy of Brazil and was opened by Ambassador Nelson Tabajara. (Photo by Ulisses Capato)



Hospital Pequeno Príncipe— 100-year struggle for the health of children and teens

*By Otávio Lucchese**

One hundred years ago, a group of women from Curitiba succeeded in providing unprecedented health care to underprivileged children in the state capital of Paraná, in the south of Brazil. The dedication of this group was the seed that, a century later, produced the biggest exclusively pediatric hospital in Brazil, Hospital Pequeno Príncipe (HPP). Located in the Curitiba, the institution cares for children and teens from all over Brazil.

Being a father of four kids who have used their services every now and then (merely due to common childhood ailments), I can add my own favourable testimony to the uplifting story of such a highly regarded medical institution. In order to help spread their honourable cause, we talked to Ety Cristina Forte Carneiro, executive director of Hospital Pequeno Príncipe, who shared with us the fruits borne by this 100-year struggle as well as the challenges faced on a daily basis.

Besides the hospital, the medical complex now includes a Research Institute and a Faculty. HPP's achievements were rendered possible by the acknowledgement of their earnest work and consequent support received from both public and private sectors.

Widely known celebrities and notables embraced this cause, for instance, the "King of Football", Pelé, whose support rendered possible the establishment of Instituto de Pesquisa Pelé Pequeno Príncipe (Pelé-Pequeno Príncipe Research Institute) — the only social project in the world that is endorsed by the football star and whose work is aimed at the reduction of child mortality rates.

Currently, HPP sets a benchmark in 32 pediatric specialties, such as oncology, cardiology, pediatric surgery, rare diseases, gastroenterology, nephrology, and orthopedics. It is also a reference in bone marrow, kidney, bone tissue and heart transplants, being the hospital which most performs heart transplants in children in Brazil.

HPP's figures are truly impressive: over 300,000 outpatient visits and hundreds of transplants a year. The hospital has 370 beds, 60 of which are in the ICU, 22,000 hospital admissions a year and performs 20,000 medium to high complexity surgeries annually. Over 2,000 doctors from all over Brazil have already complemented their qualifications or specializations and medical residencies, offered since the 1970s, at Hospital Pequeno Príncipe.

In order to continue transforming the lives of thousands of children throughout Brazil, the hospital establishes partnerships with socially responsible companies and individuals. This enables investment in innova-



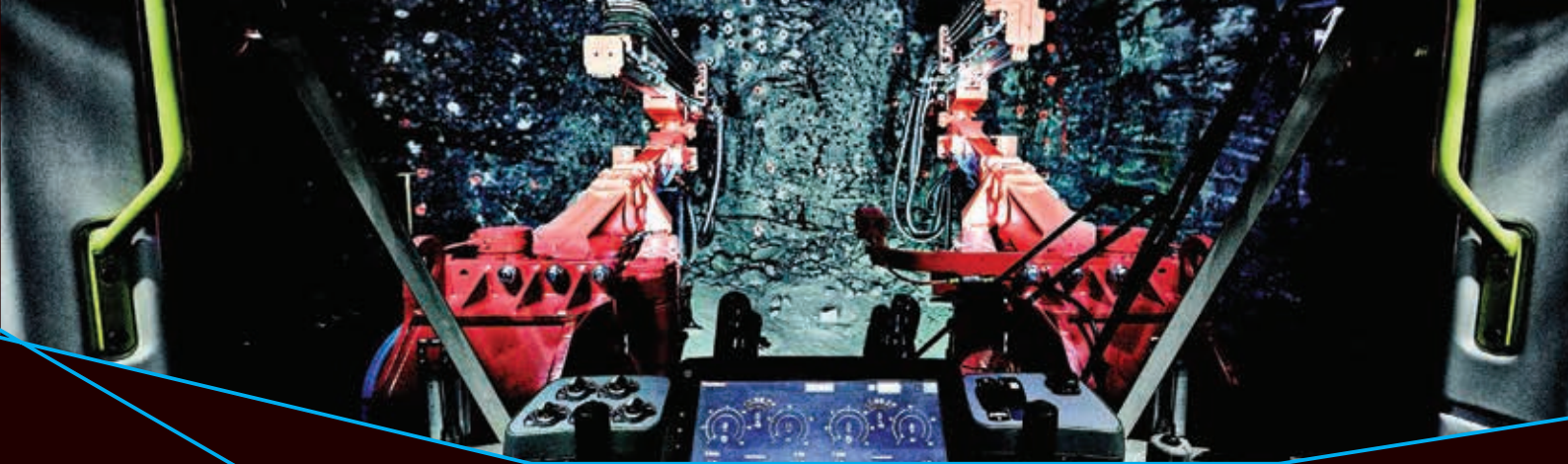
Pelé and directors of the Hospital Pequeno Príncipe, Ety Gonçalves Forte (left) and Ety Forte Carneiro.

tion, the acquisition of equipment and supplies, and the maintenance of the hospital's works.

An important source of HPP's resources are tax exemptions, the so-called "income tax donations", which allow companies and individuals to determine the allocation of part of their income tax to a fund aimed at assisting HPP. Companies of all sizes, from small businesses to large multinationals, participate in this initiative.

The struggle to save the lives of children is not only centennial, it needs to be incessant! Anyone interested in making donations, including income tax donations, can get in touch through the website and obtain further information. It is also possible to make donations from abroad, by accessing "donations" in the website www.pequenoprincipe.org.br/en, through the "The Resource Foundation". It is worth checking out HPP's work in the website www.hpp.org.br.

***Otávio Lucchese** is a lawyer, international consultant at Rolim, Viotti e Leite Campos Advogados, partner at Törngren Magnell's Brazil Desk and representative of Swedcham in Curitiba.



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The highlights of the *Brazilian Gripen Program* in 2018

Last year was a productive one for the Brazilian Gripen Program, with several important milestones. Among other achievements, we can highlight the first Brazilian aircraft in final production, in Linköping, and the important results of the joint development of Gripen E and F in Linköping and at the Gripen Design and Development Network (GDDN), in São Paulo State, Brazil.

Since the beginning of the Transfer of Technology Program in October 2015, more than 120 Brazilian engineers have participated in theoretical and practical “on-the-job” training in Sweden in several technical disciplines related to the development, production and maintenance of the aircraft. These engineers have returned to Brazil and most of them are currently working at the GDDN.

In total more than 350 Brazilian specialists (engineers, technicians and assembly operators) will be trained in Sweden until the end of the Transfer of Technology Program, which involves more than 60 offset projects. From now on, the “on-the-job training” in Sweden will be focusing on flight test, verification and production.

Today, 115 Brazilian engineers and 18 expatriates from Sweden work at the GDDN. They are involved in Gripen E / F development work in areas such as vehicle systems, aeronautical engineering, airframe design and systems installation, system integration, avionics, human-machine interface and communications.

“The Gripen Program continues to progress according to schedule, and

expectations are high since the first Brazilian aircraft will begin the flight test campaign in Linköping this year,” says Mikael Franzén, head of business unit Gripen Brazil and vice president at business area Aeronautics at Saab. “The joint effort of Brazilians and Swedes makes me confident for another year of great results in the development and production of the Brazilian aircraft,” concludes the executive.

Another great accomplishment in 2018 was the acceptance by the Swedish Air Force to equip the 60 Gripen E fighters with the most modern cockpit displays, developed by AEL Sistemas, harmonizing the Swedish and the Brazilian Programs. The three displays - Wide Area Display (WAD), Head-Up Display (HUD) and Helmet Mounted Display (HMD) – were initially developed to meet the operational needs of the Brazilian Air Force (FAB).

This deal turns AEL Sistemas, an most important beneficiary and partner of the Gripen Program in Brazil, into one of Saab’s main global suppliers. This achievement exceeds the expectations of the Brazilian Air Force in increasing the capacity of the national industry, one of the great objectives of the Brazilian Gripen

Program, and is fruit of intense technology transfer and technical collaboration between Saab and AEL.

Gripen E Flight Test Campaign

Since the first flight with the Gripen E test aircraft (39-8), on June 15, 2017, an intensive flight trials period has been successfully conducted. Phase 1 testing was to conduct initial envelope expansion and verification of aircraft general systems including the new avionics suite. The aircraft has shown expected performances and behaviour, with high availability and reliability. A maintenance and ground trials period followed Phase 1 flight testing. The aircraft carried out ground vibration trials with external stores as an example of this phase. Since then further flight testing was ongoing in 2018 and now into 2019.

During July 2018, Gripen test aircraft 39-8 conducted a number of successful separation tests with external loads (IRIS-T missile and external fuel tank) while in October 2018 the first firing took place in Sweden with IRIS-T. In November last year, Gripen E also carried the Meteor Beyond Visual Range Air-to-

Air Missile (BVRAAM) for the first time. These steps are part of the progress of weapons integration activities for Gripen E.

On November 26, 2018, Saab completed the successful first flight of the second Gripen E test aircraft. The second Gripen E test aircraft, designated 39-9, took off on its maiden flight at 09.50 am on 26 November 2018. The test flight was operated from Saab's airfield at Linköping, Sweden, with Saab test pilot Robin Nordlander. There are now two test aircraft (39-8 and 39-9) executing successful flights. With 39-9 the trial activities have expanded as Saab now tests more functionality with on-board systems, such as testing of the tactical systems and sensors.

Currently a number of aircraft for both Sweden and Brazil are in final assembly and are on track to be delivered according to customer agreements. Joint verification and validation of the first serial production aircraft to the Swedish customer will take place in 2019. Serial production deliveries will continue during 2020. The first aircraft to Brazil will be delivered to start the flight test campaign in Linköping, in 2019. The others will be delivered in Brazil from 2021. ■

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A wave of more than BRL 2.6 billion in investments in Scania's plant in São Bernardo do Campo in São Paulo State is preparing the company for a new era of sustainable transport.



Founded 62 years ago in Brazil, Scania's first plant outside of Sweden began 2019 with new facilities and the celebration of the official opening of the New Truck Generation. This mark is the result of more than BRL 2.6 billion in investments planned for up to 2020, and aimed at the modernization and preparation of the São Bernardo do Campo plant, the most modern in Latin America and a mirror of Sweden.

"We have changed everything, from the development of suppliers to production processes. We have used cutting-edge technology and the highest degree of automation to guarantee quality and excellence in our production, which is part of a global system," says Christopher Podgorski, President and CEO of Latin America.

One of the main features of this new wave of investments is the new cabin welding factory, which brings an innovative process for the laser welding of cabin roofs and sides. It follows the 4.0 industry characteristics, with integrated manufacturing and production control processes from the delivery order to the vehicle's delivery to the client.

Among the factory's novelties is a measurement cell with an optical system that scans cabins produced to identify if they have the perfect geometry, essential to the product's quality and security.

The factory, which operates with more than 75 robots, has the capacity to produce up to 2,500 cabins per year. In order

to operate the new machines and robots, the collaborators spent more than 10,000 hours of training.

The Research & Development Department also absorbed a large part of the plant's investment, with a new area to check all visible components of the cabin and chassis. Highly qualified engineers analyzed the appearance, texture and finishing of the parts developed by the local suppliers to put the trucks together. The challenge is to guarantee that before serial production the parts are a true copy of the Swedish model, and meet the high levels of requirement of the global Scania production system.

The chassis plant has expanded its operations with the End Flow, or Final Revision. This area is responsible for an in-depth examination of the final product and concentrating all the stages of inspection for a strict quality analysis before releasing it to clients.

"Our plant is producing a new generation of Scania trucks but is also ready for the future of transport. We have invested a lot in infrastructure and training of our collaborators in order to keep being competitive and an export hub to more than 30 countries. This is coupled with our concern for more sustainable processes, following our purpose as a brand that leads the change towards a more sustainable logistics and transport ecosystem," Podgorski says. ■



Sandvik Coromant inaugurates new headquarters in Jundiaí

In the presence of its global executives, the company recently received clients, partners and the press at its new headquarters and technology center in Brazil—the Sandvik Coromant Center, located in Jundiaí in São Paulo State. The move officially transferred the company’s headquarters from the Santo André district in the city of São Paulo to the interior of the state.

Part of global industrial engineering group Sandvik, Sandvik Coromant is at the forefront of manufacturing tools, machining solutions and metal cutting knowledge. The new location in Jundiaí is known as a technology hub involving various high-tech companies. Other contributing factors for the move were the proximity to Viracopos Airport in Campinas and the Port of Santos—both in São Paulo State.

“We are proud to celebrate the inauguration of this center,” says Cláudio Camacho, vice-president of sales at Sandvik Coromant for South and Central America. “For many years we used our training center in the old building in the state capital. We know that many people experienced in the industry went through Sandvik training. And this is the company’s essence—to transmit knowledge.”

“Over the last five years, more than 20,000 people were trained by Sandvik Coromant. In our previous facilities alone, there were around 5,000 people. Now, our Center in Jundiaí is heading towards a new technology level, and our goal is to train 3,000 people per year. This is a guarantee that the company is investing in Brazil, transmitting knowledge and training professionals for this digital phase we are facing. And we chose the city of Jundiaí because it has a structure that serves our purposes very well.”

According to Nadine Crauwels, global president of Sandvik Coromant, “within the 19 centers we have globally, none is so advanced as this one. This is a hub of knowledge for Brazil. This is why we are going to bring together the most brilliant minds from various industries to shape the future. This place is for everybody that has a strong interest in new technologies



Luiz Manetti, CEO of Sandvik in Brazil, Björn Rosengren, President/CEO of Sandvik AB, and Swedcham Managing Director Jonas Lindström during the inauguration.

and tools, and in the future of global manufacturing.”

“This Sandvik Coromant Center is not only a physical space to know and interact, it is also a digital center. We have the resources to make transmissions and connect with other Sandvik Coromant Centers throughout the world. This is truly a center of the future.”

Sandvik Coromant is headquartered in Sandviken, Sweden, and is represented in more than 130 countries with some 8,000 employees worldwide. It is part of the business area of Sandvik Machining Solutions, which is within the global industrial group Sandvik. (In 2012, Sandvik was named #58 on Forbes’ “The World’s Most Innovative Companies” list.)

The company began as a small, production unit for cemented carbide tools in Sandviken, Sweden when Wilhelm Haglund was assigned the job as manager of the unit in 1942.[4] However, new innovations and manufacturing methods led to the establishment of a more industrialized unit in Gimo, Sweden in 1951. Today, Sandvik Coromant is a global company with production facilities connected worldwide to three distribution centers in the US, Europe and Asia. ■



Ahlstrom-Munksjö acquires Caieiras specialty paper mill

With a BRL 420 million investment, Ahlstrom-Munksjö has acquired MD Papeis' specialty paper mill in Caieiras in São Paulo State.



The annual net sales of the business acquired amounted to approximately BRL 328 million and comparable EBITDA of around BRL 51 million in 2017.

The Caieiras product offering is an excellent match for Ahlstrom-Munksjö with 80% of sales being in line with Ahlstrom-Munksjö's current product and solution portfolio. The acquisition significantly strengthens Ahlstrom-Munksjö's offering and production platform in the region, and provides attractive growth opportunities, synergies and further production optimization opportunities for the longer term.

The Caieiras mill is located in the vicinity of Ahlstrom-Munksjö's existing production plants in Jacarei, part of the Industrial Solutions business area, and in Louveira, part of the Filtration and Performance business area.

The mill gives access to local production of decor paper, thus strengthening Ahlstrom-Munksjö's service offering and partnership with existing customers, which so far has relied on imports. Ahlstrom-Munksjö becomes a global leading producer in decor paper, and the mill is a competitive platform for further growth in South America.

Ahlstrom-Munksjö is already a leading global supplier in tape, serving both local and global customers, and this position is further strengthened through the transaction. And in addition, by combining the businesses of Caieiras and

Jacarei, Ahlstrom-Munksjö improves production and delivery capability as well as competitiveness.

Ahlstrom-Munksjö's presence in Brazil grows further through the acquisition, operating three plants, all near São Paulo, and employing over 700 persons and reporting revenues of approximately EUR 200 million.

"The Caieiras business is an excellent addition to our global platform, and drives our ambition to maintain a leading position in selected niches of the global fiber-based solutions market that offers growth. We have plenty of opportunities to grow in our existing business segments, proceed with new product development and consider growth in adjacent segments", says Hans Sohlström, President and CEO of Ahlstrom-Munksjö.

"Our objective is to be close to our clients, with the supply of local production as a way of expanding their options and offering competitive advantages," says Valmir Piton, vice-president of the Coated Specialties Unit and managing director of Ahlstrom-Munksjö Brasil.

"Furthermore, the products previously manufactured by MD are in line with Ahlstrom-Munksjö's global portfolio and complement the solutions developed especially at our plant in Jacarei," he concludes.

Ahlstrom-Munksjö in brief

Ahlstrom-Munksjö is a global leader in fiber-based materials, supplying innovative and sustainable solutions to its customers. The company's mission is to expand the role of fiber-based solutions for sustainable everyday life. Its offering includes filter materials, release liners, food and beverage processing materials, decor papers, abrasive and tape backings, electrotechnical paper, glass fiber materials, medical fiber materials and solutions for diagnostics as well as a range of specialty papers for industrial and consumer end-uses. Annual net sales amount to about EUR 3 billion and the company employs some 8,000 people. The Ahlstrom-Munksjö share is listed on the Nasdaq Helsinki and Stockholm. Read more at www.ahlstrom-munksjo.com. ■



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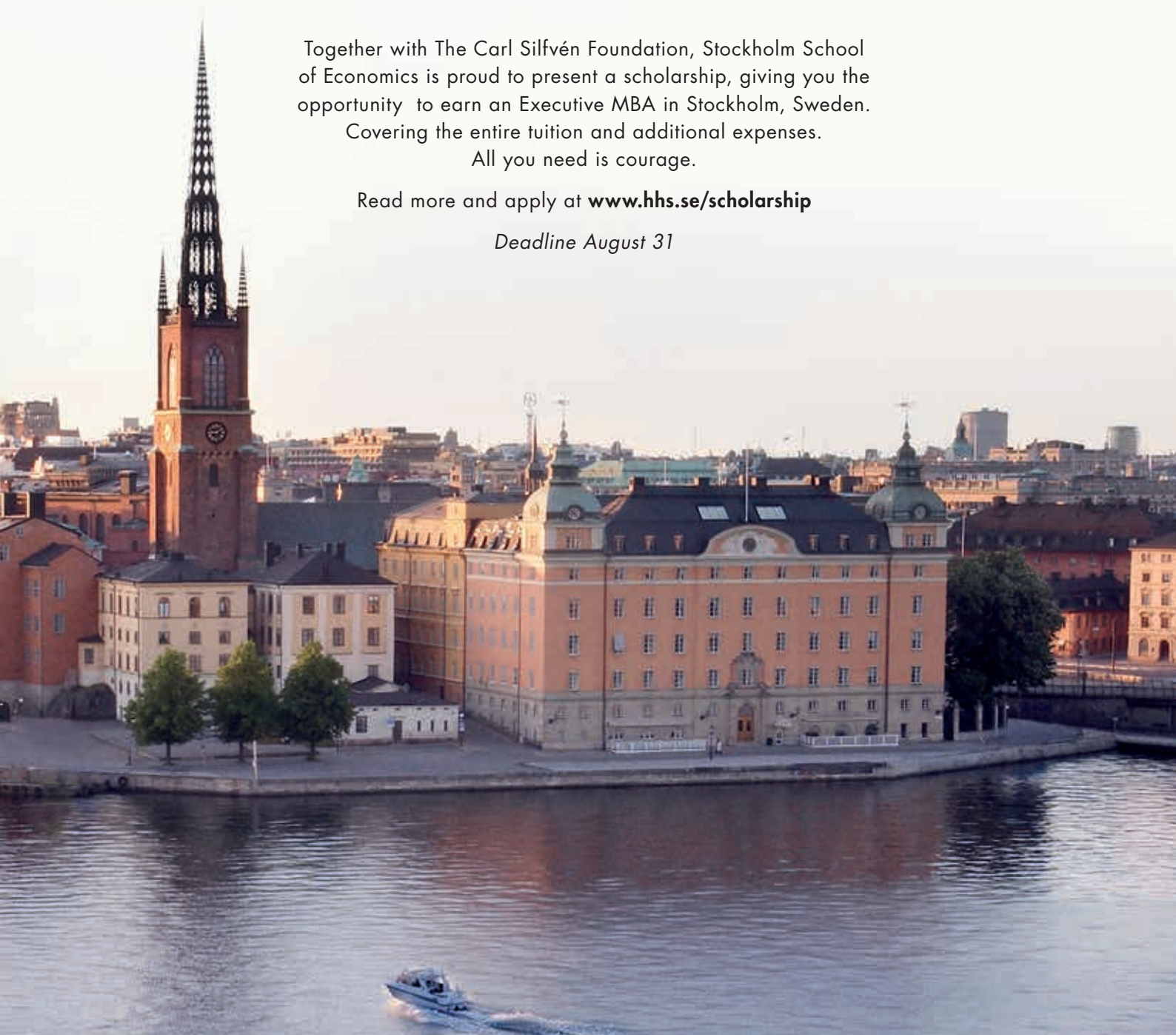
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Swedcham interviews Claudia Wallin, author of “Sweden—The Untold Story”

Brazilian journalist and author Claudia Wallin officially released her book “Sweden—The Untold Story” at the Embassy of Brazil in Stockholm on February 7. In her book, Claudia shows us how, in Sweden, politicians use public transport, work in humble offices, sometimes wash and iron their own clothes, and are treated just like everyone else. Unfortunately, the same cannot be said about some other countries...Including Brazil!



Carl Bildt, Claudia Wallin and the Brazilian Ambassador in Sweden, Nelson Tabajara.

government and progressive social policies. In her witty and insightful book, Claudia takes a fascinating look at the Swedish model of government, its commitment to transparency and openness, and its deep-seated aversion to politicians, judges and public servants enjoying any special privileges or advantages. “Sweden—The Untold Story” is a bestseller in Brazil, where it was originally published.

“I’ve always loved to read and write, and already at an early age I decided that I would become a journalist,” Claudia says. How did she end up in Sweden? “I am what people call here in Sweden a “love refugee” --my husband, Ulf Wallin, is a Swede. We met in London when I was working for the International Herald Tribune TV, and Ulf was at that time the chairman of the Skandia Media Investment Fund, one of the shareholders of the company,” she says.

“When we decided to marry in 2003, it was a double celebration: the civil wedding was held at Stockholm’s Tingsrätt, and the religious ceremony took place at the church of Outeiro da Glória, in my hometown Rio de Janeiro. At the church ceremony, we had the honour to have the Swedish choir led by the then Consul General of Sweden in Rio, performing traditional Swedish songs such as the psalm “Den blomstertid nu kommer”.

Soon after the wedding, Claudia and her husband moved to Stockholm, “where I started to learn Swedish firstly at Folkuniversitetet and then at

“**NordicLight**” recently interviewed Claudia, who has been living in Sweden since 2003. Prior to moving to Stockholm, she worked for 10 years in London as the bureau chief of TV Globo in Europe, director at the International Herald Tribune TV and producer at the BBC World Service, for whom she still contributes as a permanent stringer correspondent.

Claudia holds a bachelor’s degree in journalism from the Rio de Janeiro Federal University (UFRJ), a Master’s Degree in Russian and Eastern European Studies from the University of Birmingham in the UK, where she held a Chevening Foreign and Commonwealth Office scholarship, and also a certificate in Swedish language from the University of Stockholm.

Sweden has long been viewed as a beacon for democratic



Claudia Wallin at the Riksdag, after a live interview with BBC News about the book.

the University of Stockholm. Since then, Östermalm is my home. I became a stringer correspondent for BBC News Brazil, and also for the Brazilian TV. When I saw the then Minister for Foreign Affairs and former Prime Minister Carl Bildt in my local supermarket in Stockholm, pushing his shopping trolley and choosing his own tomatoes, I began to notice that Sweden was a very peculiar society."

About the launch of her book in Stockholm, Claudia says that "I must give my special thanks to Mr. Håkan Buskhe, CEO of Saab, for the kind support in making possible the translations of the book into both English and Spanish. Since the launch of the book, I had been trying to seek sponsorship to make it available in other languages, in order to allow people in other countries to get to know the inspiring Swedish reality. At the end of 2017, during an event at the Brazil-Sweden Innovation Week in Stockholm, I had the opportunity to meet Mr. Buskhe, who promptly offered Saab's support for the translations."

The launch ceremony of the book in both English and Spanish was kindly hosted by Ambassador Nelson Tabajara, at the Embassy of Brazil in Sweden. "I was especially honoured to have the presence at the event of many distinguished guests who are part, past and present, of the political history of Sweden - such as Mr. Carl Bildt and Mr. Björn von Sydow, former Speaker of Parliament," she says. Among the 120 guests were also Mr. Buskhe and other Saab executives; members of the Swedish Parliament and government, high officials from the Swedish Ministry for Foreign Relations, and representatives from the justice system and various Swedish companies.

According to Claudia, unlike most countries, Sweden does not offer luxury or privileges to its politicians and judges. "Without official cars or private drivers,

Swedish members of Parliament travel in crowded buses and trains, just like the citizens they represent. Without any right to parliamentary immunity, they can be tried like any other citizen. With no private secretaries at the door, their bare-bones parliamentary offices are as small as eight square meters."

"They live in studio apartments in the capital, where they wash and iron their own clothes in communal laundries. Politicians who dare to spend public money in taxi journeys, instead of riding the train, end up on news headlines. No one in public life earns an obscene multiple-digit salary," she noted. At the local level, Swedish councillors are not even paid, nor do they have the right to an office - they work from home. Most importantly, all their expenses and official acts are supervised by means of the oldest transparency law in the world, which makes Sweden one of the least corrupt countries in the world."

The book also tells the reader that, in little more than 100 years, Sweden has transformed itself from an impoverished, agricultural society into one of the wealthiest, most socially just and least corrupt countries in the world, where nobody is above anybody else. "The Swedish experience demonstrates perhaps more than any other how change is possible," Claudia says.

Claudia notes that the reaction from the readers in Brazil has been overwhelming, and very positive. "I have received messages from hundreds of readers, who say that the book is an example of the kind of society they wish to have. Some people write saying, 'This is a real utopia'. Others write to tell me that, after reading the book, they decided to pursue their Master's and PhD degrees in the subject of the Swedish system in different areas. Teachers write to say that they use the book in their classrooms. In different Brazilian cities, councillors show the book during their speeches at the chamber."

Claudia says that she has no immediate plans to visit Brazil but when she does "it would be a great pleasure to be a guest speaker at Swedcham!" It would certainly be a great pleasure for us, Claudia! ■





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StormGeo and Climatempo join forces

By Runa Hestmann
 (runa.tierno@nbcc.com.br)

StormGeo has acquired 51 percent of the Brazilian Climatempo and now consolidates its position as the most important climate weather intelligence firm in Latin America.

StormGeo is already the largest provider of offshore weather forecasts in Brazil, helping clients manage weather risks and reducing downtime. On the StormGeo client list, you find companies like Petrobras, Shell, Equinor, SBM, Modec, Total, Seadrill, Subsea 7, PGS, Technip, Queiroz Galvao, Ocyan, CBO, SolstadFarstad and DOF.

"This is very exciting, and as a small Norwegian company, we are very proud. We join forces with the best possible partner in Brazil," says StormGeo's Brazil Managing Director, Kieran Nash.

"The contract was signed on Valentine's Day, February 14, 2019, a perfect day to complete the marriage after years of courting. We add value to them, and this partnership will also revolutionize our work," Mr. Nash says.

Now, StormGeo and Climatempo aim to improve weather services in Brazil even further, by combining conventional methods with the use of weather radars and satellites. Predicting the typical, heavy

summer rainfalls more precisely is something they would like to do in the near future.

Strong brand

While offshore is StormGeo's strength in Brazil, Climatempo is strong in forecasts custom-made for sectors like agriculture, hydro-power, renewables and insurance. But Climatempo is also a pioneer in private meteorological services in Brazil, with 1.6 million followers across its social networks.

StormGeo already has a global presence, with 26 offices in 20 countries. The Norwegian company has been present in Brazil since 2011. In 2016, Climatempo and StormGeo landed an important contract with Petrobras. Total and many others have followed since then. In 2019, StormGeo signed a 3-year contract with Shell Brasil.

Research unit

The StormGeo team of 3 people will now join forces with the Climatempo team of 118. Climatempo is based in Sao Paulo, with a research unit in São José dos Campos. Together they want to expand in Latin America, to countries like Colombia, Argentina and Chile.

StormGeo and Climatempo have actually been collaborating on a research project on ocean current models, with funding from Finep and the Norwegian Research Council.

According to Climatempo founder and president, Carlos Magno, the partnership represents a gain in technology for his company.

"The partnership with StormGeo positions us as a strong, global competitor in meteorology. Together with StormGeo, we are now ready to take a big leap forward," he said in a press release.

Widening the horizon

Already a market leader offshore, the new and stronger climate service provider is keen to see even more Norwegian companies among its clients and partners.

"This is a great Norwegian and Brazilian story. Pre-salt developments are advancing. In terms of weather-risk, the pre-salt is a complicated region, where forecasts of currents, wind and waves will gain importance. Our customers will greatly reduce their exposure to weather risk by using our services, for example accurately defining weather windows based on operational limitations thereby optimizing operational efficiency, reducing downtime and limiting environmental impact," Mr. Nash says. ■

StormGeo acquires a majority stake in Climatempo; Carlos Magno do Nascimento and Kieran Nash shaking hands after closing the important deal.



NBCC

“I asked for a challenge, and they gave me Brazil”

By Runa Hestmann



Today, Margareth Øvrum's formal title is Executive Vice President, Development and Production Brazil (DPB).

Equinor's new country manager in Brazil Margareth Øvrum sees absolutely no reasons for taking it easy, and is setting out on groundbreaking enterprises.

With soaring ambitions for her company, Ms. Øvrum recently announced the intention of contracting the biggest FPSO in Brazil for pre-salt operations on Carcará. When production starts in 2023 or 2024, the giant will produce 220,000 barrels of oil per day, making it the biggest in Brazilian waters ever.

The company also plans to drill five high impact wells over the next three years. But Equinor has also set out on a journey to become a broad energy company turning natural resources into energy for people and progress for society. Equinor and Petrobras have jointly decided to pursue offshore wind projects in Brazil, and are currently studying possible locations. The 162 MW Apodi Solar plant in the state of Ceará is Equinor's first step into solar energy, together with Scatec Solar.

Long track record

Margareth Øvrum took over as country manager of Equinor in Brazil in October last year, but has worked for Equinor since 1982 and has held central management positions in the company. Ms. Øvrum was the

company's first female platform manager, on the Gullfaks field, and before coming to Brazil, she was the Executive Vice President for Technology, Projects and Drilling (TPD), a position which she held from September 2011.

"It was time to let someone else take over, but I made it clear to Equinor CEO Eldar Sætre that he had to find me something interesting to do. When he offered me Brazil, I accepted immediately, without even consulting my family. What is happening in the Brazilian oil and gas industry is extremely exciting. I am 60 years old, but excited as a kid, and it is a privilege to be a part of this, to be a part of building and realizing the huge potential we have been aware of for so long. Now it is time to deliver," she says in this interview with **Nordic Light** in February this year.

Equinor has assets in all development phases in Brazil. First oil on Peregrino II is expected in 2020. The development concept for Carcará has been defined, and important steps have been taken to guarantee profitability. The biggest FPSO on the Brazilian shelf will start operations in 4-5 years. BMC-33, another operatorship to Equinor, depends on gas infrastructure. Margareth Øvrum is also very excited with the opportunities for the Roncador field.

"Petrobras came to us and suggested we teamed up. We have high ambitions and aim to increase the recovery factor of the field by 10 percentage points."

A new North

During the NBCC Rio Oil & Gas Networking Dinner in September last year, she compared the Brazilian continental shelf to the North Sea 40 years ago.

"The opportunities and resources are huge, and based on the prospects, we are still in the early beginning of the developments here. I feel very fortunate to have been a part of the developments of the Norwegian continental shelf and now to play

a part in shaping the developments here.”

The cooperation with suppliers is of fundamental importance to Equinor.

“We need a good dialogue with the suppliers, both here and in Norway, and I don’t think everyone back home realizes the importance of Brazil to Norwegian companies, they are not aware of the dimension and size of our activities here,” she says.

Equinor is the first foreign operator to develop a pre-salt field from scratch. High productivity discoveries have been made in a well drilled on Carcará, and Ms. Øvrum describes these as “very high rates in comparison to what is average in the North Sea”. Brazil is one of Equinor’s three core areas main oil provinces, but will however never fully replace the North Sea.

Expansive

In her former position, she had the overall responsibility for the projects, including Carcará and

Peregrino II. She did however have little experience with Brazil - outside the office. A heavy summer rain storm certainly took her by surprise, and the lack of electricity the following days caused concern. The food and the very likable Brazilian colleagues and friends are however making up for any “home based” challenge she has had to face so far.

The top executive has three grown sons and two grandchildren, who she hopes will come visit frequently. The youngest son accompanies his mom to Brazil this semester. In August, her husband will also follow.

“I don’t like being alone and was worried that I would feel lonely, but people here are very expansive, and Brazilians socialize across generations in a different way than we are used to from Norway. I don’t have much time to spend on the beach, but I am certainly very satisfied. The Brazilian way of life is something Norwegians can learn from. We have a lot to learn from each other,” she says. ■

New Members | *NBCC wishes to welcome the following new members:*

AALBORG FOODS provides food supply in natura (meat, fruit, vegetables, cereals), canned, hygiene and cleaning for marine vessels in Brazil. The company has the approval of the National Agency of Sanitary Surveillance in Brazil.

DBO Energy is a private upstream oil and gas company focusing on mature fields in Brazil, building on North Sea experiences to increase recovery rates. The company was founded and is formed by an experienced group of Brazilian and Norwegian executives.

Dolphin Drilling provides offshore drilling services, and the company is one of the longest established independent drilling contracting companies in the offshore arena, tracing its roots back to the earliest offshore exploration activity in the North Sea.

Genesis Oil and Gas was established in 1988 as a process engineering design house with offices in London and Aberdeen. It was later sold to Aker and today it is part of the TechnipFMC group.

Imagem Corporativa is one of the most important PR agencies in Brazil. Committed to the Nordic region as well,

Imagem Corporativa launched the gateway Scandinavian Way last year, which features Nordic and Scandinavian-related news in areas like business, innovation, sustainability, public services for Brazilian readers

KPMG provides services like financial auditing tax and advisory. The company was founded in 1987 and today employs 207,050 people around the world. In Brazil, KPMG has 26 offices in 22 cities.

Spectrum Geo do Brasil is a key player in the global seismic services market. The company focuses on delivering high-quality Multi-Client seismic data to the market, and targets key regions of hydrocarbon prospectivity.

Yinson Production is among the world’s leading FPSO service providers, present in 34 countries. Yinson designs, constructs, owns, leases and operates FPSOs. The headquarters of operations is located in Norway, as Malaysian Yinson acquired the Norwegian FPSO company Fred Olsen Production in 2014, inheriting contracts and team.

NBCC at Nor-Shipping 2019

By Runa Hestmann



For the third time, NBCC is part of the Brazilian delegation participating at Nor-Shipping in Oslo, one of the main, international, maritime trade shows.

This year's Brazil@Norshipping seminars are scheduled for June 5 and 6. According to Ricardo Cesar Fernandes, Executive Director of ABRAN, the interest in being a part of the Brazilian delegation is good, and he hopes to see an even bigger group traveling to Nor-Shipping in 2019.

"Norway is attracting interest from many Brazilian stakeholders. Different this year is a clearer focus on ocean and related industries as an integrated concept. The organizers would like to present local opportunities in Brazil, within the ocean industries, to Norwegian investors," he explains.

NBCC also has an important role in the planning of the many events.

"Building on the successful past editions of Brazil@NorShipping, for the third year NBCC is joining forces with ABRAN, the Consulate General

and other partners to organize a delegation to Nor-Shipping 2019. The recovery of the confidence in the Brazilian offshore energy and maritime sectors, the recent investments from IOCs, and the new government make us believe that this year's Nor-Shipping will be a very promising one in terms of promoting collaboration and strengthening relationships with key industry players and governmental stakeholders. We are looking forward to having a strong Brazilian delegation and participation in the conference, supporting the promotion of sustainable business related to the ocean economy between both countries," says NBCC Chairman Alex Imperial.

See you at Nor-Shipping in Oslo from June 4 to 7, 2019! ■

Award of *three long-term contracts* in Brazil

DOF has been awarded contracts for three ROV support vessels with Petrobras.

All contracts have a firm duration of three years and can be extended for another two years. The vessels allocated for the contracts are Skandi Commander, Skandi Olympia and Skandi Chieftain, all owned by DOF Rederi AS, and

each vessel will be equipped with two state of the art work class ROVs owned and operated by DOF Subsea Group.

All three contracts are expected to commence in

2nd quarter 2019. Estimated total firm contract value is NOK 1,3 billion.

«We are delighted with these awards which further strengthen our market position in Brazil. We are combining our vessel and subsea expertise across our global organization. Adding these contracts to the previous announced awards in 2019 has given us a fantastic start in 2019», says DOF CEO Mons S. Aase.

Skandi Olympia (built 2009) has been on charter with Fugro since her delivery in 2009, but idle since the end of 2018. Skandi Commander (built 2007) completed a RSV contract with Petrobras in November 2018 and is now working on a 60-day contract with Total in Brazil. Skandi Chieftain (built 2005) worked the 2018 season in Canada but has been idle since November 2018. Before moving to Canada Skandi Chieftain worked on a long-term RSV contract Brazil. ■



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Brazilian income tax for crew members

By **Bernardo Padilha Mira,**
BR-Visa Migration Solutions

With growing indications of a recovery of the activity level in the oil and gas industry, certain concerns are returning to the agenda of the companies that are operating in the Brazilian territory.

The Brazilian income taxation of expatriates and of crew members themselves represents a big challenge among the established companies in Brazil, to the human resources department and the expatriate or crew member.

The major issue would be the lack of security regarding the application of the double taxation and the administrative mechanisms, which most of the time are not easy to attend either in Brazil or in the crew member's home country, due to bureaucracy. We are also observing a growing hardening of the policies of the Brazilian Government as well as corollary ostensive performance of tax authorities and the demands on the industry and its operators to improve and adjust their internal procedures in order to be in total compliance with the Brazilian tax legislation.

The very first step must be taken at the time of the hiring or at the time of sending the crew member to work onboard a vessel in a foreign country. The policy of the company must be very clear to all the stakeholders: the Brazilian company, the company located abroad and the crew member.

The second step is to decide which crew member is essential for the operation in order to keep him or her in the country for the time that is necessary to become a tax resident. The decree number 9.580/2018 and the normative instruction 208 determines that the tax residency starts at the date of completing 184 days, consecutive or not, of permanence in Brazil, within a period of up to



12 months for those who come with a temporary visa without a labor contract in the country.

Although at a first glance, the task appears to be easy, the human resources department and the operations department must be totally aligned to accomplish this control. Several factors such as time control, position of the crew member, moment of the operation or even the proper workforce for replacement, are crucial factors to avoid unnecessary crew members becoming tax residents.

Moreover, all of the ancillary obligation regarding the tax residency must be very transparent to the crew member, to the Brazilian human resources department and to the international human resources department. As an example, in Brazil, as a tax resident, the crew member must have a tax payer card (CPF); he or she must apply for the Brazilian income tax return between March and April of the following year; he or she must apply for the Central Bank Report (CBE), those who have assets which total amount is higher than or equal to US\$ 100.000,00 (or an equivalent amount in other currency) overseas on December 31 and, finally, must subject the salary abroad to Brazilian taxation monthly by what is known as "*Carnê-leão*".

Last, but not least, the human resources departments located on Brazilian territory must be closely integrated with the human resources departments of the home country. This integration will aid to solve any problem on communication or on any administrative matter that may arise. Even though this seems to be obvious, occasionally it is not a reality among many of the international human resources departments. ■

The business value of *design thinking*

*By Cesar Garrubo, Managing Director/
Brazil EGGS Design*

Let me start by painting a picture for you. It is the early 1990s and as a young Brazilian student I am attending my first strategy class in Norway. Before even speaking, the rugged old professor from Trondheim starts the lecture by drawing a boat. He then asks a simple and seemingly straightforward question: what or who will determine how fast this boat can sail?

One student promptly suggests that it would have to be the captain. No, says another, only the engine can determine how fast the ship will sail. The professor just nods. Many suggestions later, the class is still pondering the question. At the very end the professor reveals that we are all only partially right. The one person who is key to deciding the vessel's speed is the ship's designer.

We are intrigued: how does the designer have such a huge impact on the speed of a large ship? Well, explains the professor, after having received a full brief and gathered detailed knowledge of all the ship's needs, the designer is able to use the specifications regarding size, volume, type of hull, etc. to optimize the vessel's speed. This analogy is also valid for whole organizations.

How fast or slowly they will move forward is a direct consequence of how they are designed.

Oslo Airport is not only Norway's largest onshore construction project, it has also been EGGS' largest service design project. In cooperation with Norwegian civil aviation operator Avinor, EGGS has helped design a complete organizational change and capacity building program for 20,000 employees.



EGGS Design dream team (from left to right) Cesar Garrubo - Managing Director Brazil, Ulla Sommerfelt - CEO & Founder, and Mauricio Medeiros - Creative Leader

Fast forward to 2018 and I am preparing for a meeting with a team from EGGS, Norway's leading design and innovation consultancy, to give them an overview of the state of design thinking in Brazil's business landscape. What I discover is that design and innovation is in high demand, but few consultants are wired to think creatively and outside the box. Both digital design and user experience are new fields and to see design thinking as a business strategy is quite a novel idea.

Some of Brazil's most successful business ventures are embracing design thinking and reaping the fruits of this strategy, but why is it not more widespread across all industries?

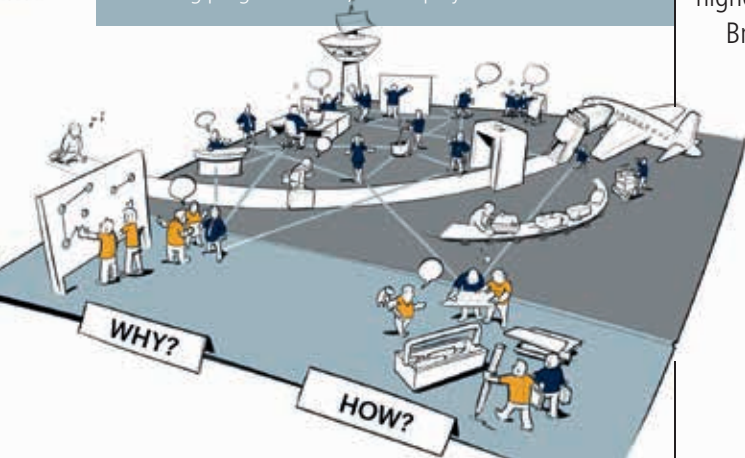
Partly to blame is the fact that Brazil is a rather closed economy. There is still a lack of exposure to outside trends and many executives do not know how design thinking can add value to their business. The lack of productivity and innovation plaguing many Brazilian organizations can be remedied by bringing in digital solutions and using the magic of design while applying these.

For those who need further proof of the business value of design thinking, I suggest looking at the findings of a McKinsey Quarterly report from 2018 named "The Business Value of Design". Their research concluded that design-driven companies showed both higher revenue growth and higher returns to shareholders.

Brazilian consumers, like consumers everywhere, want better and simpler products and services.

Market maturity in the design segment will increase over the next few years, and this will happen fast, boosting the demand for strategic innovation.

The question to the reader is whether your organization is designed with the customer in mind and optimized to move fast enough, or whether it needs to be redesigned in order to gain speed and maneuverability both on calm seas and during storms. ■



Winds of change to the *Brazilian* *Energy Industry offshore*

As the population grows and technology develops, the need for different sources of energy consequently increases. Fossil fuels, mainly oil, gas and coal, still represent more than 90% of the global energy.

However, worldwide discussions on climate change, corporate investors' demands for a cleaner energy and governments' commitment with lower carbon emissions have advocated for the immediate implementation of renewable energy projects.

Under Brazil's perspective, although the country already has one of the cleanest energy matrices in the world, there is still a promising space for the development of different markets and technologies related to renewable energy.

In this regard, offshore wind farms appear as a good alternative to Brazil, mainly due to the great potential of winds and huge offshore areas within the Brazilian jurisdictional waters.

Aligned with the benefits of a clean energy pattern, offshore wind farms are seen not only as a means for profiting, but also as a solution for decommissioning issues faced on mature provinces – where fixed oil and gas infrastructure is being modified and turned into wind farm projects. Further, offshore wind farms have appeared as an energy solution for oil and gas infrastructures currently used by producing countries – i.e. wind farms are being used to supply power for drilling platforms and oil and gas production vessels.

Accordingly, the Brazilian energy industry already envisages the benefits of offshore wind farms. Major oil companies operating in Brazil – such as Petrobras and Equinor – have already made public their interest in implementing this kind of technology, aiming to compensate carbon emissions and comply with the Paris Agreement on climate changes.

In view of the industry's interest to develop additional clean energy projects, Brazilian regulators and legislators are currently working on an agenda which comprises changes in the existing legal framework and/or the creation of new rules to regulate the activities and promote the development of offshore wind farms.

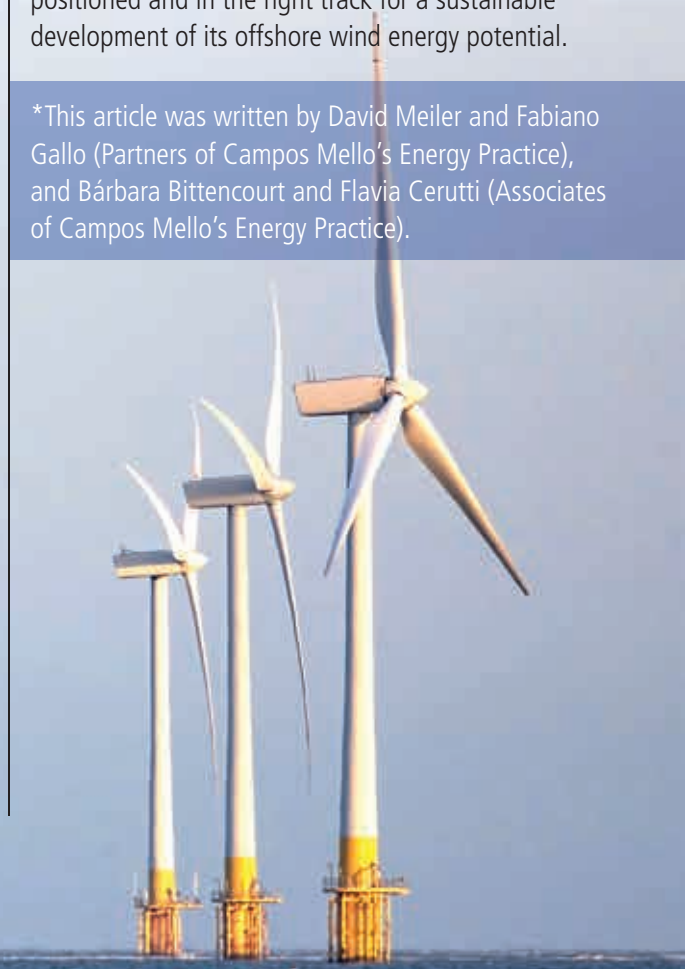
The Brazilian Congress has issued the Bill of Law No. 11,247/18, which aims to expand the authority of different governmental bodies of the energy sector (such as ANEEL and EPE) for purposes of enabling energy projects to be developed within the Brazilian territorial sea (up to 22 km from the coastline) and the exclusive economic zone (up to 370 km from the coastline). Such new law intends to regulate the process for granting concessions

and authorizations for the installation of offshore wind farms. The Bill of Law has been approved by the Brazilian Senate and shall now be analyzed and voted by the House of Representatives.

From an environmental standpoint, certain regulations are being planned by the Brazilian Environmental Institute (IBAMA) in regard to offshore wind farm projects. We highlight a new resolution on environmental licensing procedures, to be submitted to public consultation and expected to be implemented in the year 2020.

In light of the above, once the expected regulatory framework for offshore wind farms is in place, properly addressing the industry's concerns and removing uncertainties for investors, Brazil will be well positioned and in the right track for a sustainable development of its offshore wind energy potential.

**This article was written by David Meiler and Fabiano Gallo (Partners of Campos Mello's Energy Practice), and Bárbara Bittencourt and Flavia Cerutti (Associates of Campos Mello's Energy Practice).*



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If you have any doubts about membership in the NBCC, please contact Glorissabel Garrido Thompson-Flôres garridoglory@nbcc.com.br



Allocation of liability in O&G contracts

By **Adriana Gondin Da Fonseca Lontra**
and **Patricia Sabino/BMA Advogados**



Adriana Gondin da Fonseca Lontra



Patricia Sabino

There are different forms of allocating liabilities under a contract. The general provisions of the Brazilian Civil Code provide that a person must compensate the damages caused to others when such person acts in disregard of a legal or contractual obligation. The parties may, however, contractually agree on different rules provided that such parties respect general public order precepts.

As known, parties entering into contracts with Petrobras face an allocation of liability similar to the general provisions of the Brazilian Civil Code, based on allocating liability to the party that has caused the damage. Herein Petrobras' contracts differ greatly from the international "knock for knock" practice, broadly used in the oil & gas industry.

Usually Petrobras' contracts provide that each party, i.e. Petrobras and the contractor, is responsible for the direct damages caused to the other and caused to third parties, often limited to a cap (i.e. maximum amount to be indemnified). In addition, Petrobras' standard clause usually excludes from such liability caps willful misconduct and non-compliance with environmental, tax, labor and social security legislation.

More recently, the so-called State Owned Companies' Law (Federal Law N. 13.303 – *Lei das Estatais*), adopted in Article 76 the concept that contractors shall be liable for the direct damages caused to the state owned company and third parties regardless of proof of fault or willful misconduct in the performance of the contract.

Petrobras introduced a new clause bringing this concept to its standard contracts, leaving the potential bidders and contractors uncomfortable with the likely scenario of objective responsibility for the direct damages suffered by Petrobras and third parties throughout the execution of the contract.

On the other hand, the internationally-used allocation of liability known as knock for knock, is based on the assumption that each party shall bear the costs related to the damages suffered by its property and personnel, regardless of who has caused such damage, avoiding court disputes and simplifying insurance policies. It is common that gross negligence and willful misconduct are excluded from such knock for knock allocation of liability and, thus, in such cases, the party that has caused the damages should be liable for it.

As the international oil & gas industry is accustomed to the knock for knock allocation of responsibility, the international players, when contracting with Petrobras, face a hard task to include Petrobras' system of liability provisions in their pricing method, with the potential risk to support higher contingency.

The peculiarities of Petrobras' contracts are known to the industry, especially to the companies rendering services to the offshore oil & gas industry in Brazil, which was predominantly linked to Petrobras. However, with the increasing demand from International Oil Companies - IOCs - for the provision of services and charter of units, the trend is that the use of knock for knock clauses increases in Brazil. This leaves Petrobras with the challenge of adapting itself to the international standard of risk allocation. ■



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Balance of recent legal *infrastructure* measures in Brazil

By Rafael Baleroni

In the wake of the recession and years of corruption scandals, the past Federal Administration managed to pass important reforms and start a wave of privatizations and economic changes.

Its first measure was to create a new structure to speed up privatizations and concessions: The Partnership Investment Program or PPI. Its sole goal is to follow up the development of projects. PPI has been successful. It has taken part in more than 70 projects connected with more than R\$ 140 billion in committed investments and R\$ 28 billion in signing bonuses.

On the financing side, BNDES' role has changed. It moved from the de facto sole long-term financier to a bank conscious of its systemic effects and costs to the federal budget. It almost halved its presence in credit markets between 2014 and 2019 (from R\$ 130 billion to R\$ 70 billion in disbursements, according to BNDES). This allowed increase in the infrastructure debentures market. Issuances of this local project bond with tax incentives increased from R\$ 6.3 billion in 2015 to R\$ 23.9 billion in 2018, according to the Ministry of Finance.

New corporate governance rules for state-owned companies (SOCs), including election of directors and procurement guidelines, were also important. The largest SOCs (Petrobras, Eletrobras) adopted them and improved their governance. Although SOCs will always continue embedded into political discussions, it is expected that the government's controlling interest be less used to promote governmental interests ahead of minority shareholders' or the company's own. Investments guided more by rates of return than political interests and divestments followed. Particularly, divestments matter not only for SOCs to focus on their core businesses, but also as a liberalizing force.

The upstream oil market also benefitted. Petrobras is no longer the sole operator in the pre-salt area. Local content requirements are now less complex, and ANP has a policy to waiver past unmet requirements. REPETRO was extended until 2040. ANP can renew concessions due to expire in 2025 and reduce royalties in mature fields in exchange for new



The author is a Partner at Cescon, Barrieu, Flesch & Barreto Advogados.

investments. Bid rounds were resumed, a bid calendar is in place and the granting of onshore concessions has been simplified. Positive impacts involve more than US\$ 80 billion in committed investments and a diverse mix of operators, also in pre-salt.

The results from these 2.5 years of liberalization speak for themselves: Numerous concessions, privatizations and divestments occurred: Regional airports, power transmission lines, port terminals, energy distribution companies, gas pipelines, oil & gas fields and power plants. Investors' interest in Brazil increased and the economy started to recover.

The new administration has an agenda of more reforms and privatizations: Cut public sector spending especially through a pension reform, further privatization of SOCs, promote long-term private and foreign investments in infrastructure, simplify Brazil's complex tax system and reduce bureaucracy. Expectations are positive. Accomplishments would encourage investors, despite the international challenges faced by major economies, and contribute to GDP growth well above Brazil's average of 2.6 percent from 1980 to date. ■

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The expansion of E-Commerce in Brazil

E-Commerce currently represents a little over 3% of the retail volume in Brazil—in China this figure is 17 % and in Sweden 9%. Distinct realities—the only certainty is that this mode of commercialization is growing non-stop. Organizations that have taken advantage of changes in consumption habits have built solid positions in their markets. In the near future, the tendency is for this trend to increase further. Tomás Trojan, Chief Strategy Officer at Cadastra, which won the Google “Agency of the Year” award, addressed Chamber members on March 28 about the tendencies and key aspects to grow and win in the E-Commerce market. Trojan has been a Digital Marketing professional since 2005 and he actively participates in national and international events focused on Digital Marketing, E-Commerce and the Internet in general. According to Luiz Henrique Didier Jr., CEO at Bexs Bank, “the Brazilian market is an opportunity for any e-commerce or SaaS international company”. At Bexs, Didier is leading the bank efforts to bring solutions to better integrate online



Swedcham Managing Director Jonas Lindström with Tomás Trojan and Luiz Henrique Didier Jr.

international sellers and Brazilian customers. Over 60 million internet users made purchases online in 2018, and sales grew 12% in this period. In the case of cross-border e-commerce, 22 million Brazilians made purchases from international e-commerce platforms thanks to new local payment solutions. For instance, 95% of Brazilian e-shoppers use local payment methods. In 2019, the e-commerce market is expected to grow 15% mainly due to the increase of online purchases through mobile devices. There is a huge room for growth, 65% of Brazil's population (130 million users) has access to the internet and the country is one the most engaged in social media. To address this market, online international merchants should better understand the local payment methods and partner with regional specialists to accelerate onboarding and sales.

Swedcham's visibility on social media grows more than 300% in one year

Swedcham Brasil's 65th anniversary celebrations began in April 2018 with an inspiring project that aimed to expand the visibility of Brazilian and Swedish interests, disseminating their differentials to both countries. The idea was to create a totally virtual project to reach new target publics without ever leaving the Chamber's old and current members behind.

One year after this work began, the result could not be more satisfactory—a more than 300% growth on all social media: Facebook, Instagram and LinkedIn, as well as lots of posted interaction. The strategy created by the communication and marketing agency EVCOM, led by Thiago Costa, the digital marketing post-graduation coordinator at Faap, and services marketing specialist Alexandra Santos, was to potentialize

Swedcham's most important asset: its members. Presenting members' activities, bringing them

closer to the general public, was a real eye-catcher: a more than 300% growth in one year of partnership.

When the strategy began, the Chamber's Facebook had some 1,400 likes and today there are more than 6,000. LinkedIn had a little over 400 followers and now has surpassed the 900 mark. And Instagram was created from scratch and now has nearly 1,000 followers.

Among the main features of the year 2018, one must mention the events held due to the World Cup, which boosted social media but also attracted the attention of the Brazilian press which attended all the Swedish games shown at Swedcham.

Another major success on social media was the publicity given to the Career Fair. The targeted public was achieved through a well-driven and highly successful strategy, according to conversations held with representatives of the universities present at the event, who had much praise for the 2018 participants. Up to the time when this magazine was going to press, we had 16 live transmissions and we plan to have a lot more in 2019! Stand by for more news soon!



Hong Kong and Shenzhen on the program at SCI annual board meeting



Folke Engholm, CEO and Founder of Viral Access, a huge network of micro-influencers who help big brands to launch in Asia and China.



Traditional Hong Kong Chinese food and retro-chic modern Chinese art at the China Club, in the former Bank of China Building.

Swedish Chambers International's annual board meeting was this year hosted by the Swedish Chamber of Commerce in Hong Kong. The participants exchanged best practice, drew up joint initiatives, and got an insight into the developments in the Greater Bay Area Region, with Shenzhen, the Silicon Valley of Asia, as the engine for innovation.

The four-day program kicked off with a reception at Consul General of Sweden Helena Storm's residence, at which also the Board of the local Swedish Chamber was present. The three days in Hong Kong included a board meeting at Handelsbanken, a visit to *The Mills* (business incubator, experimental retail and a non-profit cultural institution), a visit to *Nordic Innovation House*, a presentation by writer and DI journalist Johan Nylander, and a meeting at EQT's new office, hosted by Johan Bygge.

On Thursday, March 14, the Board entered mainland China where they met with successful Swedish businesses and entrepreneurs, including Daniel Wellington, Viral Access and Flexwork Limited, who have all made it in the Chinese market.

"This was my second visit to Hong Kong," says Swedcham's Managing Director Jonas Lindström, "and it is truly mind blowing what is happening in that part of the world", with ongoing constructions and new impressive sky scrapers being inaugurated all the time. There is no doubt that the Chinese market offers great business opportunities, but there are also challenges for newcomers such as the lack of free speech. The Chinese market with its 1.3 billion people cannot be ignored, and it was pretty clear to me that the "trade war" that is going on between China and the West (mainly the US) is not a war the West can win."

"The global GDP is steadily moving to the East (and has been doing so since the 1950s) and many of the largest companies in the world in their sector are today Chinese. There is no doubt that the Chinese market offers great opportunities, but some of all the challenges, such as the lack of free speech and personal integrity as consequences of the totalitarian political system. China, or the People's Republic of China, is slowly moving towards a more open and business orientated society, but still it is far from the Western standards we are used to and also from the British/European culture in Hong Kong."

The "one country, two systems" principle, and the Basic Law of Hong Kong as the regional constitution. is guaranteed for 50 years after the transfer of sovereignty (1997). It does not specify how Hong Kong will be governed after 2047, and the central government's role in determining the territory's future system of government is the subject of political debate and speculation.

"China is not next door to Brazil, but we should definitely follow the development over the coming years, because it will affect not only Brazil, but the rest of the planet," Jonas concludes.



GM Tianhao Liu - Executive Director, DW - Daniel Wellington - China

Childhood Brasil holds debate on EIU “Out of the Shadows Index”

On April 9 in São Paulo, Childhood Brasil (an institution founded by Queen Silvia of Sweden, Honorary Member of the Board at Swedcham) held a debate with Katherine Stewart, researcher at the Economist Intelligence Unit (EIU), representatives from the private sector and civil society organizations, about the EIU’s “Out of the Shadows” global index on child sexual exploitation. The 40-country bench-marking index “Out of the Shadows” was created by The Economist with support from the World Childhood Foundation, the Carlson Family Foundation and the Oak Foundation. The aim is to examine how various stakeholders are dealing with the problem of sexual exploitation and abuse against children and adolescents in 40 countries. The complete study can be seen at <https://outoftheshadows.eiu.com>

One of the main conclusions reached by the study is that sexual violence against children and adolescents occurs everywhere, regardless of a country’s economic status or the quality of life of its citizens, and the only strategy to face this violence is when governments, civil society and the private sector act together. Brazil comes in 11th place in the index—which is led by the United Kingdom, Sweden and Canada.

“Stakeholders in Brazil are striving to come up with answers to the sexual abuse of children and adolescents. The legal framework is particularly favorable, and industry, the media and civil society are much more engaged and aware in Brazil than in other countries,” says Katherine Stewart. “Our research discovered, for example, that travel and tourism agencies and the Internet are dealing with issues related to matters of abuse and sexual exploitation of Brazilian girls and boys, acting for the cause. But nevertheless there is still much to be done.”

The launch of the Index also marked a strategic moment for Childhood Brasil, which in 2019 completes 20 years of existence. “The Out of the Shadows Index sheds light on the problem, allowing us to evaluate changes, advances and setbacks in each country. We intend to use the Index as an advocacy tool to help intensify the debate with all kinds of stakeholders,” comments Roberta Rivellino, President of Childhood Brasil. She stressed that sexual violence against children and adolescents is a global and urgent problem and that answers do not depend only on investments, but mainly on political will and society.

Both Childhood Brasil and the EIU are members of Swedcham, and the Chamber was represented by its Managing Director Jonas Lindström and its Legal Director (and Swedish Consul General in São Paulo) Renato Pacheco.



Roberta Rivellino and Katherine Stewart.



Marcio Gonçalves, Senior Attorney at Microsoft Brasil, was one of the speakers at the event.

Swedcham welcomes new Chairman

At Swedcham's Annual General Assembly held on April 25, our outgoing Chairman Nils Grafström stated that "After so many years as Chairman you come to a point when you feel that you do not contribute anymore with fresh ideas, so much needed in the environment in which we act. When I became Chairman for the first time, 20 years ago, the Chamber was rather alone in conveying information to its members, of being a gathering point for the Swedish industry in Brazil and for spreading knowledge of Swedish businesses in Brazil.

"Now with so many new players, social media and new technologies the picture is entirely different, which already affects the Chamber to a great extent. The Chamber must adapt to a new environment in which our members act in order to serve them in the very best way. Had I remained as chairman, you would probably have had to rely more on artificial intelligence than on me..."



"I sincerely welcome Sergio Quiroga as new Chairman and congratulate the Board for its excellent choice. I wish you, Sergio, not only good luck, but also heartily welcome you to a professional Board and to a devoted and skillful management and staff."

Sergio has made his whole career within Ericsson where he has held various executive positions, also in Sweden until he left the company in July 2018. When Sergio left Ericsson, he held the position as Head of Ericsson Latin America and the Caribbean and Global Head of Sales & Commercial Management. Sergio holds an MBA from FGV, and has concluded studies in both INSEAD and IMD Business School.

We at Swedcham heartily thank Nils for all his devoted years as Chairman and extend our warmest welcome to Sérgio!

Civil Responsibility – How to protect your company and leaders

Swedcham's Legal & Business Committee held a presentation on April 16 entitled "Civil Responsibility – How to protect your company and leaders". Almost 50 people participated in the event. The guest speakers were Dra. Marilene Novelli Siragna, Carlos Branco and Klaus Drewes.

Dra. Marilene, who holds a Master in Law from USP, explained the different kinds of environmental civil, administrative and criminal liabilities that both a company and its officers are subject to under the Brazilian law.

Carlos Branco, current Cargill insurance manager, shared his vast experience in corporate risk management and gave practical insights to the main issues.

Last but not least, Klaus Drewes, Managing Partner of Drewes and Partners, pointed out the trends of the insurance regulations and how they affect companies and their members.



Klaus Drewes, Dra. Marilene Novelli Siragna, Carlos Branco and Committee Coordinator Renato Pacheco.

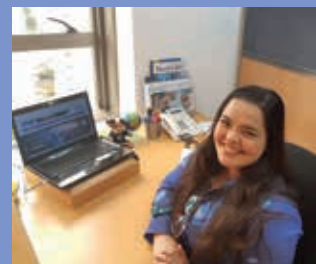
New face at the Chamber!

We would like to introduce Camila Bastos, our latest reinforcement to International Relations and Young Professionals.

Camila was raised in Fortaleza in the State of Ceará, but has had a very international life before moving to São Paulo, including living in Sweden and Denmark for a couple of years.

She has already worked nine years within the international business and logistics area.

"Being part of Swedcham means lots of exciting things happening every day, all the time, meeting interesting and important people, many great projects, it makes me really glad to be part of this team and be able to contribute with my experience. I really would like to see more young Swedes coming to Brazil to study, and many more Brazilians going to Sweden as I did, to explore all the possibilities to live and study there," she says.



In memory of Stig-Ivan Dale

On March 4 Swedcham member and friend Stig-Ivan Dale peacefully passed away at the age of 89.

A dedicated student, upon graduating Stig became the youngest student in Swedish history to graduate from Stockholm's School of Economics. A few years after his graduation, in the mid 1950s, Stig chose to pursue a new future in a faraway land of opportunity and accepted a job offer as salesman in the Amazon region.

Stig travelled from Sweden to Brazil as passenger on a cargo ship, while learning Portuguese during his one-month sea journey. Barter negotiations and deals closed on verbal guarantees and handshakes yielded him much success, with no bad credit or cancelled deals, despite lengthy delivery times.



An executive business career thereafter brought Stig to São Paulo, where he first worked at Monark (Zetor Tractors) before, at 32 years of age, becoming President of Pfizer Corporation, for Brazil and Latin America.

In 1968, Stig assumed the presidency of Laboratórios Lafi, Revlon Pharmaceutical's Brazilian subsidiary, where he worked for approximately 10 years. Following his almost 20 years in the pharmaceutical sector, Stig then took leading roles in companies such as Grupo Abril and Kockums before finalizing his business career as the head of Nordea (previously PK Banken), from which he retired in 1994.

From 1994 to 2016, Stig then returned to the pharmaceutical sector and dedicated himself to Serpac Comércio e Indústria Ltda, a pharmaceutical packaging firm that he founded and now celebrates 43 years of existence.

Throughout his life, Stig was a proud Swedish citizen and, although he loved Brazil, he chose not to assume a Brazilian nationality. During his 60+ years in Brazil (mostly São Paulo), Stig was a frequent participant and contributor to the Swedish Chamber of Commerce, Scandinavian Club, and Scandinavian Church. Our thoughts go to the widow Joan Elizabeth Dale, married on April 17, 1958 (60 years of marriage celebrated in 2018 – Diamond Jubilee), and the children Christine, Phillip and Sten-Ivan.

New Corporate Social Responsibility Survey is underway among Swedish companies in Brazil

By Karin Vecchiatti
2019 CSR Survey Coordinator

Between 2012 and 2013, 15 Swedish companies operating in Brazil participated in the Swedcham Social-Environmental Panorama, a survey promoted by Swedcham Brazil, which sought to identify the activities through which Corporate Social Responsibility (CSR) was being addressed by these organizations. At the time, it was observed that CSR practices were already part of companies' daily routines, not only making them more efficient, but also promoting business conduct in a more responsible and sustainable way.

Recently, by request of the Swedish Embassy in Brazil, a new 2019 CSR survey aims to identify how CSR issues have evolved in recent years. To what extent could challenges also stimulate new ways of doing business? In seeking to answer these questions, a new edition of the survey, **Corporate Social Responsibility of Swedish Companies in Brazil (2019)**, observes that, although the theme is not new, much remains to be done. Challenges are great, especially when a recent study made by IMD - one of the world's leading business schools based in Lausanne, Switzerland - showed that, when dealing with corporate responsibility, less than a third

of surveyed multinational companies presented some coherence between discourse and practice. Results of the IMD study were published in "Winning Sustainability Strategies" (Palgrave, 2019).

Fortunately, Swedish companies interviewed in the 2019 CSR survey have presented more encouraging paths, despite difficulties. With the participation of Höganas, SKF, Tetra Pak, Epiroc, Scania, SAM-Saab, Semcon, Volvo, ABB, Sandvik, Stora Enso and Electrolux, the 2019 CSR Survey hopes to present effective corporate social responsibility strategies, contributing to a fairer and more sustainable way of doing business around the world.





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BR-Visa Consultorial e Assessoria Empresarial is a consulting firm for individuals and companies in migratory issues, including relocation and fiscal services.

Estúdio Anadarco – With a small structure and personalized service, Estúdio Anadarco has been developing projects related to communication and culture since 2009, working especially in editorial, video and graphic design jobs.

We've been collaborating with Swedcham for some years, especially in the CSR suveys. After the 2013 edition, we took up the challenge this year of working on a new survey with 12 Swedish companies operating in Brazil, trying to reveal how CSR-related issues imply on new ways of doing business. anadarco.com.br

Lemes Consultoria is a consulting firm aimed at businesses involving pharmaceutical, medical devices and health care.

Mauger, Muniz Sociedade de Advogados is a medium-sized law firm in operation for more than 30 years, prepared to provide services for companies of all sizes.

Storytel Brasil – Storytel is Northern Europe's leading audiobook and e-book streaming service and offers unlimited listening and reading of more than 200,000 titles on a global scale. Its vision is to make the world a more empathetic place with great stories to be shared and enjoyed by anyone,

University West is a dynamic university with a clear focus on education and research of high international quality. It is particularly well known for its focus on work-integrated learning. It offers international programs at both the bachelor's and master's level in a range of fields across social sciences, engineering and IT.

U&WE is a consulting group with broad knowledge of sustainability and cutting-edge competence within environmental science and sustainability-driven business development. It supports its clients to increase their competitiveness while contributing to sustainability. Many of its customers are leaders within their industry and role models for other companies. U&WE started in 1995 and works in Sweden, Brazil and Chile.

INDIVIDUAL:

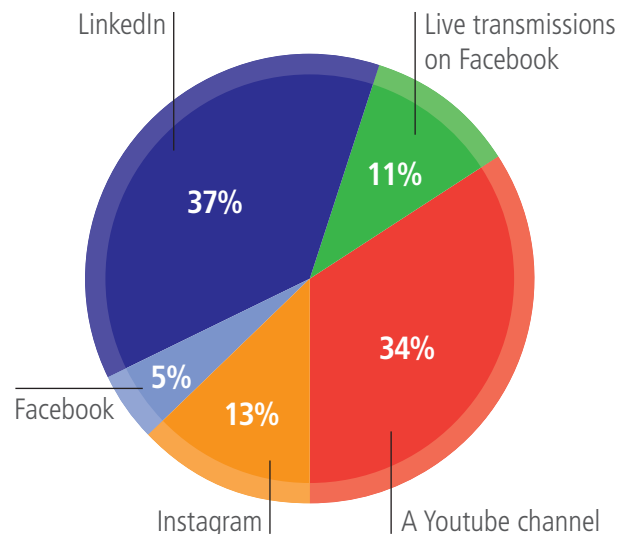
Ivete Rizzato
Ricardo Antonio Zanella Junior
Wilson Lemes

Member Satisfaction Survey

Every year, Swedcham sends out a satisfaction survey to understand how the members perceive the services offered and also asking for suggestions for improvement—84 people answered the latest survey, which is a low percentage of all members, but it still gives a hint of what people think.

Seventy-two of the respondents say that they are very satisfied with what the Chamber offers and 15% are satisfied. These are very positive numbers and partly explain the fact that the Chamber has been able to retain members even in a long period of financial crisis for Brazil and hardship for many member companies. The main reason for being a member is the access to networking and creating new business relations and after that follows interesting presentations and competence development, but contacts with Swedish companies and with Swedish culture are also mentioned

Where do you think the Chamber should invest to get more visibility?



among the reasons for being a member.

A large majority of the respondents say that they have benefitted from networking at our events and that is indeed encouraging since networking is a means to an end, and should lead to some kind of business.

When it comes to what kind of services and events we offer, 83% say that presentations with following debate is the best model, and 68% say that they appreciate company visits and would like to see more of those.

Apparently, e-mail is still a well-functioning communication tool since 96% receive our invitations by mail. We have invested in Social Media and it is interesting to see that some 50% follow us on Facebook and LinkedIn, but only 27% on Instagram—36 % think that we should invest more on LinkedIn and 34% would like us to have a Youtube Channel. In 2018, we started transmitting some events live on FB and 43% of the participants in the survey watched some of the presentations; 76% said that they would watch more events live if the Chamber offered the service more frequently. Only 13% have visited the new Virtual Library and one possible reason is that it requires a password and that there is a login process, and people simply do not have

time or patience for this kind of "obstacle".

Ninety-seven percent say that the themes of the events organized today are relevant and interesting; 84% have visited our website and 20% said it is very good and 75% that it is good. Even in the coming paperless society 62% read this magazine in the printed version and 38% the electronic version.

"These surveys are of the utmost importance," says Jonas Lindstrom, Swedcham's Managing Director. "Know your customer or KYC is a well-known business expression and in our case, it is crucial to know our members."

Maybe the services that were most appreciated last year today are considered redundant, Lindstrom says, and having this input on a regular basis helps us to maintain professional and relevant services and events. "It is very comforting that the numbers are so positive, and that inspires us all in the team, but we cannot sit down, relax and enjoy the moment. The Swedish private equity group EQT has been extremely successful and one contributing reason could be the motto of the Founding Partner, and today's Chairman, Conni Jonsson - *Everything can always be improved, everywhere, at all times.*"

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Fine for the default of the Real Estate Purchase Agreement

By *Juliana G. Meyer Gottardi and Valdirene Laginski**



Juliana G. Meyer Gottardi



Valdirene Laginski

The Law 13.786 in force since the end of December 2018 has the objective of disciplining the termination of the contract due to default of the one who buys a property in a real estate development.

In every contract of real estate purchase and sale there is a penal clause establishing the percentage of the fine that the buyer will pay in case of cancellation or absolute default of the obligation. The percentage referring to this penalty has always been a divergent issue in the Judiciary. It is not uncommon to find decisions applying different percentages to similar situations.

The aforementioned Law establishes that if the acquirer cancels the contract entered into exclusively with the property developer, either by agreement termination or by absolute default of his obligation, he will be entitled to receive the amounts already paid directly to the property developer, updated according to the index foreseen for the monetary correction of installments of the property price.

However, of the restated amount, the acquirer shall bear the full amount of the brokerage commission and the standard penalty, not to exceed 25% of the amount paid. This penalty may be required by the developer regardless of claiming injury.

In addition, if the acquirer uses the unit, it will bear the payment of taxes, quotas of condominium, and an amount equivalent to 0.5% of the value of the contract, "pro rata die" corresponding to the fruition of the property among other charges.

A different situation occurs when the merger is subject to the equity method. According to the Institute of Real Estate Registry in Brazil, the main purpose of this regime is to ensure the immediate restoration of the individual assets of the purchasers of an ideal fraction linked to the autonomous unit under construction or to be built in the event of the property developer's breakdown, giving greater security and confidence in the real estate market.

In this case, the property developer will refund the amounts paid by the acquirer after deduction of the amounts mentioned above, updated based on the index contractually established for the monetary correction of the parcels of the property price, within a maximum period of 30 days after the dwelling or equivalent document issued by the competent municipal public agency. And, in this case, the conventional penalty may be up to the limit of 50% of the amount paid.

It has already been discussed whether the legal provision of the new law on the conventional fine would not face a provision of the Consumer Protection Code, Law 8.078 / 90, which provides for the right of full restitution of what is paid by the consumer, besides not accepting that the consumer is placed at a disadvantage.

However, the Judiciary was already guaranteeing the property developers the applicability of the conventional fine with a percentage varying between 10% and 25% on the amounts paid. In any case, we will have to wait for the first decisions of the Judiciary on the new rule.

This article was written by **Juliana G. Meyer Gottardi (partner) and **Valdirene Laginski** (associate lawyer) of Pacheco Neto Sanden Teisseire Advogados, São Paulo / SP.*

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Driving our Future



“Home of industrial ideas”: Atlas Copco presents its new corporate image

Developed based on research carried out with the company's major stakeholders, this message is part of a new set of changes.



“Home of industrial ideas”—from now on, when people think about Atlas Copco, it is in accordance with this premise that the company would like to be remembered. However, this message does not come alone—it brings a series of changes in the company's identity.

The reform in the company's identity came about due to the separation of Epiroc, involved in the mining sector, from the Atlas Copco Group. “With the separation, we found ourselves in an ideal moment to understand how we are perceived by our stakeholders,” says Alessandra Sellmer, corporate communication manager for Latin America at Atlas Copco*. “After a series of research and studies, the company opted to focus only on the industrial area and our communication will be a reflection of this.”

To be the “home of industrial ideas” is something the company did not conquer without first being known for some actions along its years of operation. Showing expertise and focus in the B2B market, strengthening its essence in the industrial activity and connecting clients to knowledge, thereby fostering their growth, were only some of the attitudes that made the company rise to its status.

To reach a sustainable and profitable growth remains the com-

pany's mission. In order to achieve this objective, Atlas Copco established the vision “First in mind, first in choice”, which will be applied not only to its clients but to all its stakeholders. To be the first company recalled when thinking about sustainability solutions for industry is Atlas Copco's long-term objective and should be the causative agent that will lead collaborators to drive the company forward and in the right direction.

Atlas Copco, which has a 146-year history (64 operating on the Brazilian market) as a leader in sustainability solutions for various segments of industry, has also presented the persona of its brand—a set of personal adjectives based on the company's values. “These qualities will be in part the guide of how we will communicate with our public visually, in our speech and in our texts,” concludes Sellmer. “We want to be known as a visionary, intelligent and state-of-the art company.”

The novelties that were made official in a manual launched in December 2018 also include new templates for Power Point presentation, new models for all graphic material and new sources for specific use.

The Atlas Copco Group also includes the companies Chicago Pneumatic, Edwards, Itubombas, Leybold and Pressure, among others.

About Atlas Copco

Great ideas accelerate innovation. Atlas Copco has been transforming industrial ideas into strategic benefits since 1873. Upon hearing its clients and knowing their needs, the company delivers value and innovates with the future in mind. Atlas Copco is based in Stockholm, Sweden, with clients in more than 180 countries and around 37,000 employees. For more information, www.atlascopcogroup.com

*Alessandra Sellmer is one of the coordinators of Swedcham's Communication & Marketing Committee.

The background is a photograph of an industrial facility, likely a steel mill, with large machinery and glowing molten metal. Overlaid on this is a network of teal-colored circles connected by thin lines, resembling a digital or communication network. Various circular icons are placed at the nodes of this network, including a share icon, a cloud with a download arrow, a bar chart, a gear, a Wi-Fi symbol, and a battery icon.

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Irresistible magical superpower

By Carol Böttcher*

Modern technology has revolutionized our lives in every possible way. Among others it provides us with new advanced communication tools, virtually connecting us almost at light speed. The use of smartphones, computers, tablets and the internet's unlimited access to information diminishes space and time boundaries, creating a whole new setting for human interaction.

Many businesses have embraced social networking to interact with their customers whilst bridging large geographical, economic and psychological distances. Modern technology encourages innovation and creativity and is time and cost saving while enabling unprecedented agility.

Being reachable, anywhere and anytime, completely changed the rules and business protocol in the global marketplace. Being "online" is not only a business enabler, but offers paramount competitive advantage in every business line. As a matter of fact, it has become essential in order for businesses to exist in the marketplace.

We experience technology in the core of our daily lives. Recently, I, who consider myself a "humble" Internet user - during my last stay in Scandinavia - was traveling from Stockholm to Copenhagen. During that trip, while enjoying Sweden's landscape, I took advantage of the train's excellent free Wi-fi by checking Emails, hearing my "Spotify-new releases radar" and making Skype calls with candidates based in Argentina, current participants in a South-American selection process with us.

Once more I was mesmerized by the capabilities of modern technology, which would have been considered by earlier generations as some kind of **magical super-power**.

However, I also had to think of **Milton Friedman's** book (1975): **"There's no such thing as a free lunch"**: he was an American free-market economist, who in 1976 was honored by the **Royal Swedish Academy of Sciences** with the **Nobel Memorial Prize in Economic Sciences** for his achievements in the fields of *"consumption analysis, monetary history and theory, and for his demonstration of the complexity of stabilization policy"*. *

His vision and legacy seem to be as contemporary as ever. And while *enabling new forms of communication, the use of modern technological tools also instigates mankind to new behavioral addictions*.

In the prologue of his book **"Irresistible: the rise of addictive technology and the business of keeping us hooked"**, **Adam Alter** describes how Steve Jobs unveiled the iPad® as an "extraordinary device... way better than a laptop and way better than a

smartphone." On the other hand, he also referred as to how Jobs and other "giant techs" would also strictly limit their children's use of technology.

Quoting Alter, *"Addictive behaviors have existed for a long time, but in recent decades they've become more common, harder to resist, and more mainstream. These new addictions don't involve the ingestion of a substance. They don't directly introduce chemicals into your system, but they produce the same effects [...]. Some like gambling and exercise, are old; others, like binge-viewing and smartphone use, are relatively new. [...] all become progressively more difficult to resist... In 2004, Facebook was fun; in 2016 it's addictive"*. ** Nowadays Facebook® has already become "old-fashioned" for millennials, who have migrated on to other platforms.

Back to my "magical browsing experience", almost arriving in Copenhagen: I've learned from **Dr. Victor Galaz, - Deputy Director of the Stockholm Resilience Center-** that we have entered the **"Anthropocene"** ***- an era in which humans became the strongest driver of global change directly impacting on nature and driving the planet to a new geological epoch by unsustainable patterns of production and consumption.

Well, it seems the sky is no longer the limit, for anything nor anyone. **"The great acceleration"** **** is everywhere.

However, it also seems that **Balance and Sustainability** are not only yet **distant magical components**, but furthermore **crucial super-powers** to ensure our very future.

* <https://www.nobelprize.org/prizes/economic-sciences/1976/press-release/>

** Alter, Adam (2017) *Irresistible: the rise of addictive technology and the business of keeping us hooked*. Penguin Press, New York.

*** <https://www.stockholmresilience.org/contact-us/staff/2008-01-10-galaz.html>

**** https://en.wikipedia.org/wiki/Great_Acceleration

* Carol Böttcher is coordinator of Swedcham's Human Capital Committee.



The background of the advertisement is an aerial photograph of San Francisco, showing the city skyline and the Golden Gate Bridge. Overlaid on this image are several bright blue, glowing energy beams that curve across the city, suggesting a futuristic or high-tech theme.

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Democracy Index 2018

By Marcio Zanetti*



The Economist Intelligence Unit's Democracy Index provides a snapshot of the state of democracy worldwide for 165 independent states and two territories. This covers almost the entire population of the world and the vast majority of the world's states (microstates are excluded).

The Democracy Index is based on five categories: *electoral process and pluralism*; *civil liberties*; *the functioning of government*; *political participation*; and *political culture*. Based on its scores on a range of indicators within these categories, each country is then itself classified as one of four types of regime: "full democracy", "flawed democracy", "hybrid regime" and "authoritarian regime".

This is the 11th edition of the Democracy Index, which began in 2006. It records how global democracy fared in 2018. The results are mixed. For the first time in three years, the global score for democracy remained stable. This result disguises some movement across regions and across categories. One country, Costa Rica, moved from a flawed democracy to a full democracy; at the other end of the spectrum, one country, Nicaragua, moved from flawed regime to authoritarian regime.

A total of 42 countries experienced a decline in their total score compared with 2017; 48 registered an increase in total score. But as a percentage of the world's population, fewer people lived in some form of democracy (47.7%, compared with 49.3% in 2017). Very few of these (4.5%) were classified as living in a full democracy. Just over one-third of the population lived under authoritarian rule, with a large share represented by China.

In 2018, *political participation* was the only category to register an improvement. As a matter of fact, this category has been improving over the past decade, and in 2018 its improvement was enough to halt the slide in the Democracy Index, for the first time in three years. The growth of *political participation* is, moreover, a trend that is evident in almost every region of the world.

The results indicate that voters around the world are in fact not disengaged from democracy. They are clearly disillusioned with formal political institutions but have been spurred into action. Not every indicator of participation improved in 2018. At a global level, participation by minority groups, for example, continued to stagnate. But in several other measures of *political participation*, there was evidence of improvement. Adult literacy (which is correlated with increased engagement) rose, as did the proportion of the population with an interest in following politics in the news. There was also a jump in the proportion of the population willing to engage in lawful demonstrations around the world, almost without exception.

But perhaps the most striking advance in *political participation*, in 2018 and in the past decade, has been in the participation of women. In

fact, in the past decade, of all 60 indicators in the Democracy Index, women's *political participation* has improved more than any other single indicator in our model.

Formal and informal barriers to women's political participation, including discriminatory laws and socioeconomic obstacles, are gradually being knocked down. In many cases, advances have required quotas; around the world, around half of countries have legislative gender quotas in place. Some of these take the form of quotas for candidates, while others take the form of reserved seats for women. Quotas themselves have provoked debate, with some criticizing them as undemocratic, but they have clearly been effective in creating more inclusive legislatures, and they are being established in an increasing number of countries.

The improvement in *political participation* in our index is all the more striking for taking place amid a deterioration of trust in democracy that was evident in the worsening of most categories in the Democracy Index 2018. The global score for *electoral process and pluralism* remained unchanged in 2018, after a long-term decline in evidence ever since the Democracy Index began. In every other category, there were notable declines in 2018, continuing the deterioration of democracy in evidence now for several years.

Disillusionment with the practice of democracy is most clear in the *functioning of government* category. It is the lowest-ranking category in the Democracy Index, with consistently low scores for transparency, accountability and corruption. In all of these areas, on a global scale, there was little to no progress in 2018, as in the entire history of the Democracy Index. In the worst-scoring question in the functioning of government category (and in the entire index), on confidence in political parties, the score actually continued to fall in 2018.

In a context of disillusionment with democracy

in practice and in principle, and of declining *civil liberties*, the rise in political participation is remarkable. Clear disenchantment with formal democratic institutions is not preventing the population from participating in them. Even as confidence in political parties falls, membership of political parties and other political organizations has ticked up.

The deterioration in *functioning of government* and in *political culture* is likely, in fact, to be helping drive the rise in political participation around the world. Increased voter turnout in the US mid-term elections, for example, appears to have been driven by a deep division over the direction of government that appears to have engaged voters on both sides of the debate. In Latin America, where voters have become deeply disillusioned with politics amid widespread high-profile corruption scandals in recent years, voter turnout in a big election year was high.

The increase in political participation in 2018 is responsible for a stabilization of the Democracy Index after its recent decline. But increased political participation alone is not sufficient to reverse the "democracy recession" chronicled by one of the world's leading democracy scholars, Larry Diamond. What

happens next will depend on how political participation influences governance, *political culture*, and *civil liberties*. In all these areas, there are big questions over future developments, particularly as increased engagement, voter turnout and activism have in many countries around the world been in the name of anti-establishment parties and politicians who could shake up political systems and the practice of democracy in unexpected ways.

A rise of identity politics and of "strongman" leaders who have harnessed disillusionment with democracy in their countries to gain power poses a strong risk that the institutions of representative democracy will be weakened further. Alternatively, a strengthening of political institutions, and a tackling of the issues of transparency, accountability and corruption, would go some way towards improving confidence in democracy and democratic values.

This is a big question as, although voters are engaged, they are also deeply divided. One question in the Democracy Index looks at social cohesion and asks whether there is a sufficient degree of societal consensus and cohesion to underpin a stable, functioning democracy. The score here has deteriorated for several years, suggesting a deepening of political polarization that could complicate political effectiveness and weaken the quality of policymaking and of institutions.

***Marcio Zanetti** is coordinator of Swedcham's Finance Committee



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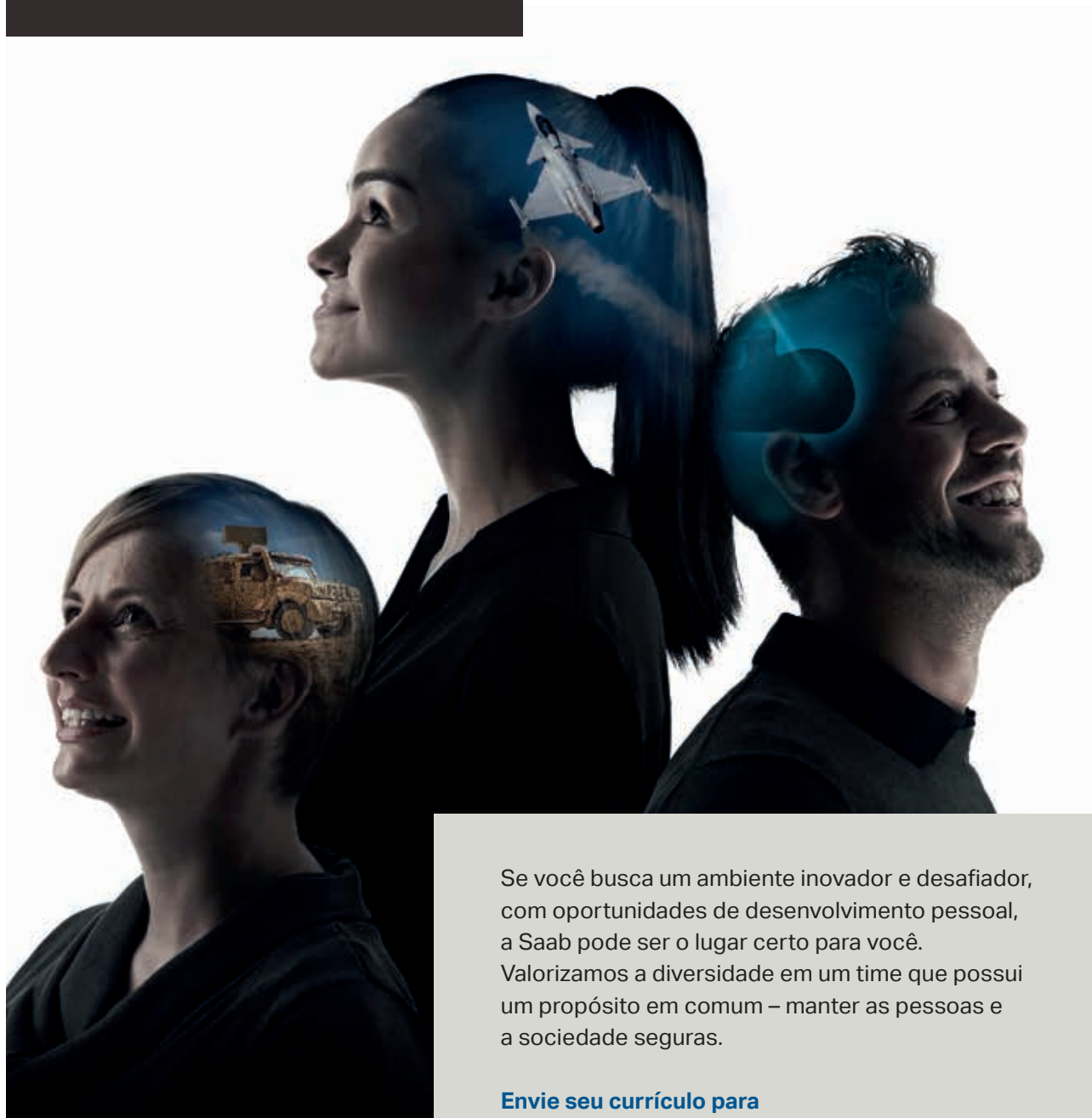
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