

Brazil bids to become world's third IT market by 2022

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Participants work during an IT event in Sao Paulo, Brazil in February 2012. Brazil hopes to capitalize on the 2014 World Cup and the 2016 Summer Olympics to advance its goal of becoming the world's third largest information technology and communications (ITC) market, a top industry official says.

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"We are today the fifth largest ITC market in the world, (worth) \$210 billion dollars," Antonio Gil, president of the Brazilian Association of Information Technology and [Communication Companies](#) (Brasscom), told AFP in an interview Monday.

Brasscom, which groups top domestic and foreign ITC companies operating in Brazil such as IBM, Microsoft, Intel, Ericsson and [Lenovo](#), is drawing up a study with global consulting firm McKinsey on how to help Brazil vault into third place behind China and the United States by 2022.

2022 will mark the bicentennial of Brazil's independence from Portugal and the joint study aims to develop a strategic plan to make ITC "the engine of Brazil's development" and identify what needs to be done to turn the world's sixth largest economy into "one of the top three ITC" markets, Gil said.

Results of the study, titled Brazil 2022, are expected to be released at a Brasscom Global IT forum here in October.

Gil, a former IBM senior executive, said Brazil's ITC strengths included sophisticated financial services, electronic voting and tax declaration systems as well as widespread use of ITC by the energy, agriculture and manufacturing centers.

"We are now focusing on innovation and new investment in small and medium sized companies as well as on using IT in sectors like health, education and transparency in government," he added.

The 74-year-old Brasscom chief sees the World Cup and the 2016 Summer Olympics as a boon for Brazil and for the ITC industry, with the government pouring billions of dollars in a wide range of [infrastructure projects](#).

"We hope that the infrastructure being developed can be used subsequently for the benefit of all," he said. "We are looking at education, health, development, broadband communications."

Brasscom, which works closely with the science and technology ministry and other government agencies, in 2010 coordinated a study mapping IT opportunities during the two premier sporting events.

"Data from the study reveal that (the) major sporting events will generate investment of about \$57 billion, of which 10 percent will be devoted to IT, either directly in data and image transmission systems, and indirectly, in areas such as security, health care, transportation, infrastructure," the association said.

"For the Olympics, it is estimated that 36 billion images will be sent from Rio to the world. What do you need to put that in place?" Gil said.

"Brazil today has 250 million mobile phones, more than people but they are expensive due to the high taxes—equivalent to 45 percent of total bill —. Imagine if you could cut that (tax) cost by 50 percent," he added.

"Brazil is going to be the United States of the 21st century," Gil said with confidence, while adding that a major challenge is how to improve the country's educational system and overcome a shortage of skilled professionals.

The Brazilian ITC industry currently has two million professionals and will need an additional 900,000 until 2022, according to Brasscom.

President Dilma Rousseff's government has launched a \$2 billion "Science without Borders" program providing 75,000 scholarships over the next four years for Brazilian students to study in top foreign universities.

The program not only calls for training Brazilians abroad but also invites foreign researchers and scientists to work in Brazil.

Gil said he saw good prospects for IT cooperation with India, a fellow democracy and member of the BRICS bloc of emerging powers along with China, Russia and South Africa.

Information technology currently represents around 4.5 percent of [Brazil](#)'s GDP, a share expected to jump to 6.6 percent in 2022, according to Brasscom.

The country has 74 tech parks, mainly in the southeast and south, according to the Brazilian Association of Science Parks and Business Incubators.

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