

ABSTRACT

The project consists of establishing a venture capital fund (the SCTec fund, referred to as “the fund”) for equity and quasi-equity investments in start-ups and small enterprises¹ that have technologically innovative products and processes. The fund will invest exclusively in small enterprises in the state of Santa Catarina. The fund’s investments will be diversified among a number of technology sectors: software, telecommunications, Internet, materials, precision technology, and so on. The fund will be investing in 30 enterprises in its first four years in operation, with the average investment being R\$400,000 (approximately USD 222,000).

The fund’s investment manager, Companhia Riograndense de Participações (CRP), is Brazil’s most experienced firm with venture capital and has uncovered good investment opportunities for the other funds that it manages (CRP, Caderi, RSTec). It also has the support of the prestigious CERTI foundation, which develops management and technology programs with business applications.

The purpose of the fund will be to invest in enterprises that produce returns in excess of 25%, create jobs, help develop the local technology sector, and meet local and IDB/MIF labor and environmental standards.

¹ To qualify, an enterprise must meet two of the following three criteria: less than USD 3 million in sales and/or assets and less than 100 employees.