

Partnership for the 21st century

By HE ALAN CHARLTON CVO CMG

AMBASSADOR OF THE UNITED KINGDOM TO BRAZIL



ALAN CHARLTON has been British Ambassador to Brazil since December 2008. He is responsible for the promotion of British interests and the delivery of public services in Brazil. As Head of Mission in Brazil, he leads three Posts in Brazil (Brasilia, São Paulo, Rio de Janeiro), plus the network of Honorary Consuls. He was educated at Cambridge, Leicester and Manchester universities. He has a degree in modern languages and linguistics and a post-graduate certificate of education.

It is a great pleasure to welcome my Prime Minister, David Cameron to Brazil. It is a special moment and opportunity to promote a partnership for the 21st century.

It is not a moment in isolation. The British government is pursuing a strategy to elevate the bilateral relationship with Brazil. In late July, President Dilma Rousseff came to London. This followed an intense exchange of high-level visits during the previous two years. There is more to come, for instance a visit by the Lord Mayor of London in October and important sports discussions in November around the experience of the London 2012 Olympics.

Governments rightly focus attention on multilateral institutions to respond to global challenges. Yet the world of the 21st Century is seeing growing interplay between regions and individual countries. Foreign affairs are increasingly multi-dimensional. This trend looks set to continue – in Brasilia there are several new bilateral embassies from countries far afield. It is not just about governments. It is business, universities, sporting and cultural organisations and individual people whose decisions and actions make a bilateral relationship. But bilateral frameworks created by governments can make a difference in creating opportunity and removing barriers.

Potential of bilateral relations

Between Britain and Brazil, there is a strong historical base for our relationship. Britain supported Brazil's independence and development in the 19th and first half of the 20th centuries. Nowadays we share important core values, notably commitment to democracy and freedom of expression. Britain has for centuries been an outward-facing country linking with all parts of the world. Brazil was long a more inward-facing country, not least owing to its colonial history, but has become increasingly international. We both look to apply our values as we interact with the world. On this foundation there is great scope to develop our bilateral framework.

The Prime Minister's visit can help us define this going forward. One element can be a Dialogue of Trust. We agree on many issues and should find ways to work together more effectively, as we have in international fora on biodiversity, co-operation on international development and our growing exchanges

on defence including policy and equipment. We may not always agree how to apply our shared values to foreign and bilateral issues. But we can ensure we understand each other and find common ground. This requires discussion, frankness and creativity. We can handle sensitive areas such as the Middle East, Iran, trade policy, the Falkland Islands – not denying differences but finding positive ways forward.

Business success and opportunity

Both countries want sustainable economic growth. We have some common challenges – how to stimulate the economy without stoking inflation and how to boost investment in infrastructure when national budgets are stretched. Bilateral trade and investment are key. More can be done to facilitate these, by addressing regulation, taxation and availability of skills and by taking joint initiatives to help flows in both directions. President Dilma held an excellent open discussion with British businesses during her visit to London. We look forward to the inaugural meeting of the bilateral CEOs' forum during the Prime Minister's visit to Brazil followed up by the next meeting of JETCO, the Joint Trade and Economic Committee. Embassies have a role. In addition to strengthening our excellent UKTI team in São Paulo/Rio/Brasilia/Recife and Porto Alegre, we are planning a network of Prosperity Honorary Consuls elsewhere to identify opportunities for British companies in lesser-known regions.

There is double good news. First, recent trends are encouragingly positive. British exports to Brazil are up 25 per cent in the first half of 2012. Britain became the second-largest investor in Brazil in 2011 in terms of projects (45), value (US\$12.248 billion) and jobs created (21,040). Brazilian exports increased 7 per cent in the first half of 2012 and investment in Britain in 2011 was over US\$1 billion.

Second, there is scope for even better performance. British exporters are well placed to meet the requirements of Brazil's development and of its growing consumer base. British companies want to invest further. Some – BG, BP, Shell, Rolls Royce – are already heavily involved in the energy sector and have ambitious plans for the future. The largest UK investments in terms of value and jobs were in mining and metals, and Anglo-American is working hard to realise a huge iron-ore project in Minas Gerais and Rio.

GSK and others want to invest more in Life Sciences. Britain has great engineering companies who see Brazil as important to their global plans – GSK, JCB as well as Rolls Royce. Diageo have acquired a premium cachaça brand, Ypióca, showing their commitment to Brazil. Our carmakers are interested in investment if the conditions are right. There are many companies interested in providing services of all kinds, for example BT in data management. British SMEs have not always made their presence felt in Brazil in the past owing to distance, language and complexity of doing business in Brazil. But that can change and already we hope state-of-the-art hi-tech companies like Gordon Murray will bring ideas to Brazil. Brazil's investment in Britain is less developed compared to investment from China, India, Korea and others – but Brazilian investors are hearing more about the benefits of choosing Britain as the location for overseas investment. We are delighted to have the overseas arm of the Brazilian Development Bank, BNDES in London.

A soft-power partnership?

I believe what marks our bilateral relationship as especially promising and future-orientated is the importance of soft power to both countries and the scope for co-operation to develop synergies.

Sport is currently the most visible of these areas. I was standing next to Dilma Rousseff when the announcement came through that Rio had been awarded the 2016 Olympic Games. Since then, London and Rio and Britain and Brazil have collaborated to deliver the best possible Games. Over 100 Brazilians observed the London Games in areas ranging from defence and security to healthcare to reception of dignitaries. We have talked about enhancing the value of sport to our societies, sustainability and legacy of major sporting events, linking with our companies who can provide solutions.

A special opportunity are the linked areas of science, innovation, education and English language. Britain is already Brazil's second partner in science collaboration. With the research arm of São Paulo state, FAPESP, Britain is the clear leader owing to the 21st-century approach of deciding research awards through joint peer review. In business, too, science collaboration is ever more important – British companies such as BG and Rolls Royce are opening research centres around Brazil. GSK have a powerful partnership with Fundação Oswaldo Cruz working towards the vaccines of the future. President Dilma's Science Without Borders programme, which will bring up to another 10,000 students to UK universities, is now taking off and also promoting further cooperation direct between universities of the two countries and with British businesses. Interest is growing too in vocational

education opportunities with British institutions. In support of all this, there are plans to help with improvement of standards in the English language in Brazil so that students can make the most of periods of study in Britain.

Then there is culture. We have a UKBrasil season running from the Prime Minister's visit for six months in Brazil which will highlight creative arts and innovation as well as theatre, art and music. The British Council will continue this in a four-year programme up to the Rio Olympics.

The impact of leaders

President Dilma covered several aspects of the relationship while in London. She visited the Science Museum and witnessed signature of a co-operation agreement, as well as meeting *Science Without Borders* students. She discussed business with leaders of British companies. She had a substantive discussion on international and bilateral issues with the Prime Minister at No 10 Downing Street. She attended the opening of the Olympic Games. This was followed by Vice-President Temer co-chairing, with the Prime Minister, an international conference at No 10 on Global Nutrition on the day of the Olympics closing ceremony.

The Prime Minister's visit can make a difference, taking us further forward towards the 21st-century partnership to which, I believe, Brazil and Britain are so well suited – on the Bilateral Dialogue, on business, on soft-power co-operation. It is a great privilege to be British ambassador in Brazil at this special time. 

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Prime Minister David Cameron with President Dilma Rousseff during her recent visit to Downing Street

