

An enduring relationship

By **RT HON HUGO SWIRE MP**

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HUGO SWIRE is the Minister of State at the Foreign & Commonwealth Office, with responsibilities for relations with Latin America, Southern Asia, Australia and the Commonwealth. He has been Member of Parliament for South Devon since 2001. Before moving to the FC0 in 2012, he was previously Minister of State for Northern Ireland. He attended the University of St Andrews, and before entering parliament served in the Grenadier Guards, and as a director of the auction house Sotheby's.

One hundred years ago a miraculous Chilean rescue mission succeeded in saving the lives of several members of British explorer, Sir Ernest Shackleton's, ill-fated Trans-Antarctic Expedition. When HMS Endurance was finally crushed by ice in October 1915, Shackleton and his 27 men travelled by boat and foot to Elephant Island. Shackleton and five of his men travelled on a further 800 miles by open boat to South Georgia to seek help for the stranded crew. In August 2016, after three failed rescue attempts, Captain Luis Pardo Villalón and his crew risked their lives aboard the *Yelcho* to rescue 22 British crew stranded on Elephant Island. Captain Pardo refused any reward for his extraordinary act of bravery, insisting he was only doing his job as a Chilean Naval Officer.

Although 2016 marks the hundredth anniversary of that miraculous rescue, the shared history and ties between our two countries date back a further hundred years to the first days of Chilean independence, and remain strong. Our relationship is a wide-ranging one, spanning science, innovation, education, global issues, renewable energy and trade and investment.

Today, Chile represents a beacon of political stability and economic progress in the region, and an increasingly important trading partner for the UK.

I had the pleasure of attending President Bachelet's inauguration at the National Congress in Valparaiso in 2014 and I am delighted that President Bachelet will be coming to London in May. I am confident that her visit will strengthen and deepen the close existing ties between our two countries.

During President Bachelet's visit London will play host to Chile Day for the sixth consecutive year. Chile Day attracts investors to Chile and over 150 well-connected Chilean business people attend, which provides the UK with access at a senior level to highlight UK inward investment opportunities.

The UK wants an enhanced relationship with Chile. President Bachelet's visit is a tangible sign of the UK's continued commitment to our strategy of re-engagement with Latin America, the Canning Agenda. Since the Canning Agenda was launched in 2010, the UK and Latin America have achieved much together. Our broad relationship with Chile is testament to the impact of the increase in our presence, political ties, personal links and mutual prosperity.

Multilateral engagement and global issues

Having hosted the UK-Chile High Level political talks in autumn 2015, I am proud of the collaboration between the UK and Chile on international global issues. We worked hand-in-hand during Chile's UN Security Council non-permanent membership and chairmanship last year. Together we helped ensure the destruction of Syria's chemical weapons and improved access to Syria for humanitarian organisations. We were proud to support Chile's initiatives in the Human Rights Council protecting and promoting women's rights and LGBT rights.

As a founding member of the Pacific Alliance, Chile has played a pivotal role in strengthening economic cooperation with Colombia, Mexico and Peru. Established in 2011, the Pacific Alliance has played an important role in Latin American growth and success. As a proactive Observer of the Alliance, the UK has commissioned reports on competition policy across the Alliance and studies on innovation approaches. Visits to the UK by Pacific Alliance members and a new programme for visiting scholars allows us to showcase our support and further strengthen our relationship.

As well as cooperation on international issues, Chile is an important partner in support of global defence interests and humanitarian disaster relief participation, peace support and peace keeping operations. We have supported Chile's development of plans to address cyber security for a number of years and hope that Chile becomes an important partner in the "Budapest Process" to tackle global cyber challenges.

Trade and investment

Chile is one of the easiest and most competitive places to do business in Latin America – currently ranking first or second in Latin America for Ease of Doing Business, World Competitiveness and Business Environment. It is ranked seventh globally in the Index of Economic Freedom and scores higher than over half of the EU in individual business indicators for transparency and lack of corruption.

Bilateral trade continues to grow – in 2014, UK exports of goods and services to Chile reached an impressive £1.25 billion. Chile's investments into the UK are also on the rise, with 73 investment projects across a range of sectors including IT, Financial Services and food and drink currently in the pipeline.

British retail brands such as Tesco have entered into the Chilean market recently and are also having an impact.

Despite a downturn in global commodity prices, mining continues to present the greatest opportunity for British companies in Chile. It's both Chile and Latin America's largest sector, with Chile producing over a third of the global copper output. Some 45 per cent of Global GDP is mining-related. The London Stock Exchange is home to the world's biggest mining companies, generating billions in international finance each year. The UK has a mining supply chain of over 4,000 companies keen to offer innovative solutions to the challenges that the sector is currently facing. We lead the way in mining and infrastructure-related research and global transparency standards. Forty British companies took part in Latin America's largest mining exhibition, EXPOMIN, hosted by Chile in April. In the last year we have achieved over £220 million of additional British exports to the sector, many helping to reduce costs and improve productivity and efficiency.

But there are increasing opportunities for British energy companies too. The Chilean Ministry of Energy has launched its 2050 Energy Plan with an ambitious target of sourcing at least 70 per cent of energy provision from renewable sources by 2050. We aim to assist Chile to reach these ambitious and admirable targets and help address the future shortfall in energy. Chile is the region's leading solar market and has enormous potential for renewable energy – especially solar, marine, wind and geothermal energy generation and storage.

Education, science and innovation

Education links are strong, with the UK remaining the top destination for Chile's post-graduate Master's students. Our prestigious Chevening Scholarship programme currently funds twenty six of Chile's best scholars to study in the UK. We expect to fund a similar number of students in 2016-17.

In 2014, the Newton-Picarte Fund was launched in Chile to promote scientific research and innovation. We committed to contribute £4 million each year, matched by Chile, which we achieved. The fund supports joint research projects between Chilean and British scientists, fostering personnel links and supporting the commercialisation of technology to assist Chile's socio-economic development.

In its first year, the Fund supported forty-nine joint projects between Chile and the UK, including a project between the University of Edinburgh and the University of Chile to improve the genetic resistance of Chilean salmon – one of Chile's largest industries. Priority areas include: sustainable mining; smart cities; agriculture; ocean sciences; climate change; energy; health and medical sciences; and inequality. All of these

topics are important in their own right for bilateral collaboration, but also open up wider government links and future business opportunities.

This partnership of equals in science and innovation continues to grow. In January, Chile hosted the 'Futures Congress', bringing together nearly 100 leading scientists and thinkers from around the globe to discuss challenges facing the world today. Our Government's Chief Scientific Adviser, Sir Mark Walport, outlined the important role science and scientific advice plays in policy making. President Bachelet announced the future creation of a Ministry of Science and Technology. This is a significant step in Chile's approach to science. Discussions on the use of satellite technology and remote monitoring in combating illegal fishing and use in mining and agricultural sectors could lead to future partnerships in both scientific and commercial interest.

The future

In January 2017, Chile will graduate from the Organisation for Economic Co-operation and Development's (OECD) Overseas Development Assistance (ODA) list, reflecting Chile's global status and economic strength. We will continue our wide-ranging cooperation in future years through partnership, working together to find solutions to regional and global problems.

President Bachelet's visit will see cooperation go from strength to strength, with a number of announcements of collaboration related to our prosperity agenda. Just as the Prime Minister said of the Canning Agenda itself, this visit "is a means to an end, not an end in itself".

Whilst the 100th anniversary of the rescue of Shackleton's men provides a moment to remember the extraordinary courage and resourcefulness of those involved, it also serves as a timely reminder of the deep historical roots of the friendship between Chile and the United Kingdom. When I reflect on the bilateral work by Britain and Chile across many different spheres of interest there is no doubt that a bright future lies ahead for both sides. F



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The Arco Británico in Valparaíso, donated by the British community to mark the 1910 centenary of Chile's independence