

## A Brazilian Perspective

President Lula's second term in office has just begun and it is expected that his benign populism combined with rather orthodox economic and fiscal policies will continue.

Brazil will continue to advance its views and interests regionally in Latin America and globally through a vigorous presence in multilateral organizations. Brazil opposes vigorously any form of unilateralism.

Brazil's foreign policy is expected to remain pragmatic and to a large extent rational and non-ideological.

Recent elections in neighboring countries (Bolivia, Ecuador and Venezuela) and at least in one country in Central America (Nicaragua) have put in office strident populist, socialist and nationalist administrations and the pragmatic and moderate style of Lula is being challenged.

Brazil's international goals can be summed up in one word: access. In several dimensions:

- a) competitive access of its products to protected markets;
- b) access to state of the art and sensitive technologies;
- c) access (by that meaning permanent membership) in the bodies or clubs that are central in the conduct of international affairs, i.e. the UN Security Council., an enlarged G-8 and to a lesser degree the OECD.

Brazil is aware that in order to achieve these goals it has to:

- a) give assurances that it is a solid, stable democracy;
- b) that its economic and fiscal policies are sound and rational
- c) that its conduct in key areas (the environment, human rights, peaceful uses nuclear energy, etc) are predictable, effective and in line with the concerns and values of contemporary international public opinion.

Brazil seeks an enhanced international profile and there is a widespread feeling that so far and in most *fora* we have been punching below our weight.

I make these introductory remarks so that may serve as the background against which we might judge how my country's media, public opinion and government are likely to react to our concerns and proposals. May I just say that Brazil will not remain aloof regarding any items in our agenda.

I address first the question of climate change.

The question has gained a much greater stature from our perspective over the last few years and far more dramatically over the past few months.

Brazil was rather indifferent if not hostile to environment concerns at the time of the Stockholm Conference and in the years immediately before and after it but experienced a major conversion when it hosted the 1992 Rio Conference on Environment and Development.

Since then appropriate national regulatory agencies (notably the Ministry of the Environment and IBAMA), a great number of NGOs, a growing Green Party, and a widespread conviction that in the theory and practice of sustainable development we have our road map have made us a far more responsible and sensitive country in all matters relating to the ecological agenda.

Brazil was an active and constructive partner in the Kyoto negotiations and its follow-up and we can be counted upon to join other like-minded countries in curbing emissions and attempting to reverse the noxious greenhouse effects.

As a country that relies heavily on hydro-electric power, ethanol, nuclear power, natural gas and only marginally on coal we can be on the right side of a lot of issues without suffering too much pain.

Brazil is self-sufficient in oil which is lifted almost entirely from offshore basins. The security of these activities is a matter of concern,

What makes Brazil defensive and vulnerable is the vast and urgent issue of deforestation in the Amazon region and the impact of these practices on national, regional and global climate change.

Regarding the Amazon region Brazil takes simultaneously two contradictory and equally vehement stands. The country is extremely anxious to avoid and ready to oppose anything that might appear as an encroachment on its national sovereign rights over the large part of that eco-system that falls within its jurisdiction. On the other hand faced with unpleasant facts and the evidence that many actions occur that are detrimental to the environment and run contrary to the very policies that the country espouses the habitual line of defense (and sometimes it is a valid one) is to indicate that Brazil with limited human, financial and technical means has great difficulty in policing those vast areas and that the control that Brasilia has over loggers and prospectors in the region is tenuous at best.

It is crucial that we present our views and objectives in a manner that would allow Brazilians and the Government to rally round the good causes and policies without becoming vulnerable to attacks from very influential nationalistic and populist quarters eager to suggest that the door is being flung open to unwanted foreign interference.

Brazil has to be further drawn to the emerging consensus on climate change an objective which is not hard to achieve. Public opinion, Government agencies and private organizations are very much in favor of vigorous and urgent actions by the international community.

I suggest that in our recommendations we should also take into account and propose a better use of the Treaty on Amazonian Cooperation (TCA) with headquarters in Brasilia and which has as its member the 8 countries that share *grosso modo* de Amazon Basin and adjacent areas and are: Bolivia, Ecuador, Peru, Venezuela. Surinam, Guyana, Colombia- and of course Brazil – in this case the largest share-holder

This Treaty and the system it envisages could be a valuable tool in generating regional commitment and solidarity and much could be accomplished by involving all countries that have a direct stake in Amazon.

If it is true that the rate of deforestation in the Amazon region has decreased slightly over the last few years the destruction goes on at a rate that is well beyond what could deemed acceptable indicators.

Initiatives such as the whole question of “carbon credits” and other incentives remain controversial and so far rather ineffectual.

Brazilian reaction to what I suppose will be the thrust of our recommendations regarding hothouse gases and global warming will be by and large positive and constructive. There will be, however, considerable skepticism over the degree of real commitment on the part of industrialized countries. We fear there is a great distance between rhetoric and de facto commitment and we have been disappointed before.

I would like to review where we stand on trade negotiations and specifically how in Brazil we assess the future of the Doha round

Brazilian negotiators are not on the whole pessimistic and do not bet on a collapse of the current round. We have been through somewhat similar impasses during the Uruguay and the Kennedy rounds and it is the nature of this kind of negotiation to proceed from crisis to crisis. These people in Geneva and at the WTO are tough negotiators who- by temperament, training and the instructions they carry - will leave meaningful concessions until the last possible moment. This type of brinkmanship carries the danger of a chain reaction that might fatally derail the whole process.

In Brazil I believe no one expects major progress until the results of the French elections are in. France is very much at the center of European agricultural policies and also at the core of the resistance to accept further reductions on agricultural tariffs and subsidies.

In Geneva Brazil is very active in the G-6 where besides itself sit the EU, the USA, Japan, India and Australia. The G- 8 is also busy and under Pascal Lamy the WTO tries to keep the momentum.

We expect a vigorous call for the continuation of the round and a clear message that although regional agreements and bilateral instruments are useful they are far from being

sufficient and that an orderly prosperous and stable world needs a viable multilateral trade system in operation

Regarding nuclear energy I think Brazil will sign in due course the “Additional Protocol” to the NPT but that is as far as we will go.

In my view Brazil will not give up its long standing and well established program of uranium enrichment and will resist absolutely any dependence on a future and uncertain international supply machinery.

My perception is that Brazil has done all it thinks it should do to strengthen the non-proliferation regime and is not prepared to go further.

Although we are a signatory of the NPT the Treaty is regarded by most Brazilians as fundamentally unbalanced and as the lesser of two evils. We have not been able to identify any disarmament efforts coming from the nuclear powers as they are committed to do under Article 6 .We will remain, of course, firmly within the Treaty and in full compliance but the NPT generates no enthusiasm at home.

Summing up:

- a) I envisage no major difficulties, from our perspective, to support the Kyoto Plus Package as broadly outlined in the “non text” prepared for the Langdon Hall meeting;
- b) some international institutional architecture has to be restored and promoted. We are, hopefully, at the end of a cycle during which a major deconstruction of the existing bodies was undertaken largely under the leadership of the current US administration. We simply cannot make substantial progress without reforming and updating discredited structures and reclaiming a significant role for international law;
- c) climate change can become a unifying global cause (as human rights and environment protection to some extent failed to become) keeping in mind that we are now the endangered species.;
- d) the very nature of our exercise suggests that Governments and conventional diplomacy are not doing their work properly. Unilateralism –even more than the rigidities of the Cold War - has had a paralyzing effect on international negotiations. Our exercise represents an attempt to circumvent and help to overcome blockages but it is Governments that have the power to try to remedy the problem.
- e) selling our final product to those in power in Brazil will not be a difficult task . Civil society, the media and many sector of the government will be I suppose – supportive of our efforts as what we are suggesting corresponds largely with our own national aspirations ad concerns.
- f) The fact that Brazil was brought into de L-14 cannot fail do generate good will and interest and we should play the card of that inclusion as this presence and recognition

is very much in the core of our expectations.

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