## The strategic challenges in the relations between Morocco and Brazil

## \*\*\*\*\*\*

## July 11<sup>th</sup>, 2011.

Let me first thank the officials of the IRES for the invitation and thank my colleagues and the distinguished professors for attending this friendly meeting which gives me the opportunity to share with you my feelings and perceptions of the relations between our country and this emerging power, the Federative Republic of Brazil. I would like to share with you my experience and my observations during the period I spent in Brazil from February 2006 to January 2009.

I always thought it was necessary to pay greater interest in emerging markets, especially in Brazil, where I have been accredited for 3 years period. It may be a short period but enough to grasp the importance of the 7<sup>th</sup> world power, which according to prospects, will become the fourth largest economy by 2050. Brazil became a key player at regional and international levels. It is a fact that major powers have already recognized.

We have much to share with Brazil. We have many affinities with that country, a mutual attraction, a huge fund of sympathy, an undoubted attractiveness for both sides, same mentality, nothing is urgent. Brazil is a warm and hospitable country. It is as diverse as Morocco in terms of its geography and culture.

We have the same priorities, concerns and challenges. We defend the same values especially with regard to sustainable human development, the fight against poverty and social exclusion, promoting democracy and human rights.

Brazil has great respect and consideration for our country. It recognizes the role and position played by Morocco in Africa, Arab countries, especially the Palestinian issue. Brazil knows our role as the President of Al Quds Committee.

Morocco has always maintained close relations with Brazil. Such relations have strengthened since the visit of His Majesty the King in November 2004.

The formal relations between Morocco and Brazil date back to 1962 when Brazil accredited its ambassador in Rabat. Conversely, In 1967, five years later, Morocco opened an embassy in Rio de Janeiro (then capital of Brazil). In fact, the links with Brazil go back to the 18<sup>th</sup> century.

As an illustration of this age-long relationship:

- In the 18<sup>th</sup> century, there was the creation of the Mazagao town in the State of Amapa in the Amazon by those deported from the city of Mazagan in Morocco. The deported were Portuguese and Moroccans, Jews in particular. Hence, there exists a Moroccan Jewish community in Brazil.
- The appointment of a Consul (Galace)in 1890 by the Brazilian state to the city of Tangier (agreements signed in the archives of the Library of Rio).

Besides these historical links, the reasons for this relation are political, economic, social and cultural.

1. At the political Level:

As part of the reform of the UN Security Council, Brazil applied for a permanent seat on this Council and it is almost certain that Brazil will get it. It worth mentioning that Morocco is supporting this application.

Brazil influence in Africa is increasing and not only in Lusophone countries. It is thanks to the numerous visits made by President Lula to Africa that cooperation with this region is strengthened. Brazil is the country of South America which has the most African embassies accredited in it.

It is the same with the Arab countries. More and more Arab countries opened embassies in Brazil including an embassy of Palestine.

Brazil is one among others of two large blocks (the BRIC and IBSA). It is also the initiator of two major forums: i) forum with the Arab Countries (ASPA) and ii) forum with African countries (ASA). The results are tangible; exchanges between Brazil and Africa rose from \$ 5 billion in 2002 to 26 billion in 2010, of which 20.5 billion are Brazilian exports to Africa. With Arab countries, trade has increased from 6 billion in 2002 to 20 billion in 2010, of which the Brazilian exports reached the amount of 12.57 billion representing 34% increase over 2009. As for imports, it has reached 6.96 billion representing 33% increase in 2009. Trade between Brazil and Arab countries is expected to increase between 12 and 15% in 2011.

Brazil plays an important role within the UN and advocates for the peaceful resolution of disputes by giving every chance for diplomacy to prevail.

For Brazil, the dialogue achieves better results than the use of threats, sanctions or armed conflict (as in Iran or Libya).

We have with Brazil a perfect convergence of views on the Middle East, the potential of the African continent and the threats it faces (especially terrorism and drugs)

Regarding the national issue, the position of Brazil can be described as neutral or somehow balanced despite the great interest, whether economic or historical, in Algeria.

This position of Brazil is expressed through its continued support for UN resolutions and encouragement in favor of the parties concerned. All in order to find a political solution based on negotiation.

However, we should be careful with the new team. It is therefore imperative that all forms of Moroccan diplomacy (governmental, parliamentary, economic and civil society) shall assert our position aiming to achieve our proposed autonomy for our Saharan provinces.

- In 2008, the Embassy has advocated for the creation of a parliamentary group of friendship between Morocco and Brazil. The latter was concreted during a ceremony in the Chamber of Deputies in Brasilia, June 3, 2008.

- For the next elections in Morocco, we may adopt the good practices of Brazil in terms of compulsory voting and electronic voting system that can serve as a model. For in this country of 8.5 million km2, the results are known in the evening.

## 2. At the Economic level:

With a population of nearly 200 million inhabitants, Brazil is almost a continent that has become an industry leader in Latin America:

- Over 45% of assets are employed in the industry including aerospace, mining and oil exploitation;
- First world producer of ethanol (biofuel made from sugar cane);
- First world exporter of soy, sugar, beef, chicken, tobacco and orange juice;
- The discovery in 2007 of a major offshore oil field and natural gas will push Brazil into the ranks of the world's leading exporters.

This country has advanced skills in medicine, manufacturing generics and animal cloning. Nuclear power is also an area where Brazil has made considerable progress.

In 2007, the growth of the Brazilian economy has experienced a sustained acceleration. It is thanks to the "Accelerated Growth Policy" (AGP) that such growth has taken place. This is a 4-year strategic plan for the implementation of major infrastructure projects and synchronization between the private and public sectors in areas as diverse as roads and highways, energy and sanitation , ports and airports, bridges and railways, urban infrastructure, housing, environment and water resources, etc.

Brazil has also developed a substantial domestic demand which has supported economic growth and contributed to the fight against international crisis.

Moreover, infrastructure development necessary for the organization of World Cup football in Brazil in 2014 and the Olympics in 2016 (transportation, construction, tourism ...) will also attract substantial foreign investment.

Regarding Morocco's imports from Brazil, they are mainly sugar, cane sugar, iron and steel, soybeans, coffee, wood, car chassis and tractors.

Apart from the oil exporting countries (Saudi Arabia and Algeria), Morocco is the 1<sup>st</sup> Arab country exporting to Brazil. If in 2008 the trade balance was to our advantage (bilateral trade reached \$ 1.6 billion with a positive balance for Morocco of \$ 633 million), it has became since 2009, a deficit for Morocco. There is, however a reduction in this deficit since 2010. This is confirmed by the increase in exports of 66% from January to April 2011 in comparison with the same period in 2010.

- Our country is the 1<sup>st</sup> largest supplier of sardines and canned fish. We surpass in that the country of Venezuela;

- A major contract in the field of phosphate and phosphoric acid and other derivatives, between OCP and the largest producer of fertilizers in South America, the company BUNGE was signed in 2007 creating a joint venture called "Bunge Phosphorus Morocco "with an initial investment of \$ 360 million.

Besides the fishing sector, the phosphate industry and the electronic components, there are other areas of interest to Brazil such as:

- Exploration and exploitation of oil shale;
- Moroccan crafts, tourism and architecture;
- Agriculture (agreements between INRA and EMBRAPA), olive oil, etc.
- Clothing sector
- Culture
- Film industry.

We should also strengthen cooperation in urban planning and housing, vocational training, sports, energy and environment by adopting the good Brazilian know-how in recycling.

Tripartite cooperation, the South / South cooperation in particular in the field of agriculture, water areas, is also very promising.

Brazil can be a platform for Morocco with all the countries of South America and more broadly, with the countries of Latin America and the Caribbean.

Also the Tangier-Med can become a hub for Brazilian exports to Europe, Africa or the Arab countries.

Moreover, institutions can facilitate reconciliation with the country and provide support to the strengthening of economic cooperation, particularly:

- The Arab-Brazilian Chamber of Commerce in Sao Paolo that advocates for increased trade between Arab countries and Brazil (agreement signed between the ANBA information agency and the MAP)
- Moroccan-Brazilian Chamber of Commerce that was also created in 2007,
- The six Honorary Consuls of Morocco (Sao Paolo, Rio. Florianopolis, Curitiba, Belo Horizonte and Vitoria) who are willing to contribute.

In addition to the existing agreements (aerial, commercial, cultural, scientific, technical and technological agreements, and agreement in vocational training, tourism etc.), eight other agreements were signed at the first joint commission in 2008. The agreements are:

- Agreement of amendments for partnership in the field of textiles and clothing;
- ✤ Agreement of support for the establishment of a pilot school in the fields of civil construction;
- ✤ Agreement of support for the establishment of 7 training institutions for handicapped;
- ✤ Agreement of consolidation of the capacity of trainers in the field of civil construction;
- ✤ Agreement of support for urban development in Morocco;
- A veterinary health agreement and an agreement in the field of environment.

Regarding transport, there is an aviation agreement between the two countries (1975). The flights that were ceased in 1992 will resume in next December.

As for the Maritime Agreement between Morocco and Brazil, it was finalized in 2008.

3. At the social level:

Brazil has the same concerns as Morocco: The fight against poverty, instablity and social exclusion, reducing inequality, underemployment and the fight against corruption.

Over the last 6 years and as recalled by the Brazilian Ambassador in his speech last October, more than 24 million Brazilians no longer suffer poverty and another 27 now belong to the middle class. The middle class accounts for 36% of the population.

Moreover, within the framework of the National Institute of Human Rights, two major Moroccan delegations have visited Brazil to inquire about the Brazilian experience. The Brazilian model of the "Bolsa Familia" has inspired the Moroccan authorities (distribution of direct assistance provided to parents for school and vaccination for their children).

This is not the only Brazilian program even if it is the most visible. There are also other incentives that can be explored as the "food supplement" in schools (Role of the sardine), construction of tanks in semi arid areas to ensure water during the period when water is less supplied, popular restaurants in cities of over 100,000 inhabitants, micro-credit to agriculture, the fight against child labor or sexual exploitation of children, etc.

4. At the level of Cultural Cooperation

During the 27<sup>th</sup> Festival of Music and Art "Olodum" in 2007 which took place before the first carnival in Salvador, two troops of Gnawa music took part in this edition which was entitled "The Kingdom of Morocco, countries of all the senses, a land of promise". And it was during the carnival of Salvador of the same year that the group" Olodum " has paid tribute to Morocco in this regard.

In 2008, Morocco has organized a major event for 3 months in one of the most prestigious art museum in Sao Paolo and has exhibited some 500 archaeological artifacts, handicrafts and other artistic works from prehistoric to modern times. The event was a huge success as it has attracted many visitors and large media coverage.

Together with the Chairman of communications group "Bandeirantes" (large group which has a large audience across four television channels and four radio stations) I initiated a project of partnership and cooperation between this group and that of 2m (2<sup>nd</sup> Moroccan channel). The project focuses on the reciprocal distribution of TV series in order to contribute to a better understanding between Morocco and Brazil.

During an official visit to the State of Sao Paolo, the Governor of the State has expressed his readiness to initiate a cooperation project regarding technical training and to set up a project with the Paula Souza Center, institution of higher technology education.

5. Difficulties

The often cited obstacle of language is not really an obstacle the same way as Portuguese is not an obstacle to our relations with Portugal. Besides, Brazilians understand Spanish, English and many of them speak French and Arabic. There are other difficulties facing us at the commercial level. As far as Brazil is concerned, there are the high cost of freight andthe vastness of Brazil. As for Morocco, there is the lack of participation in exhibitions and fairs, the little active role of Moroccan private sector in the region.

To conclude, I believe there is an urgent need to move forward to further strengthen cooperation with the South American subcontinent. Cooperation is and will be mutually beneficial, and I am confident of that.