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BRAZIL-UKRAINE: PARTNERS AT SEA OR OVERSEAS PARTNERS

– Mr Ambassador, you have been serving as a diplomat for almost 40 years. During the last 10 years, you have been specializing in the countries that regained their independence after the collapse of the Soviet Union. Why did you choose Eastern Europe and Central Asia?

– Indeed, I started my career at the beginning of 1982, so it's almost 40 years now. There have been many changes since then. My specialization was not deliberate. I worked on China-Brazil issues before being appointed Minister-Counsellor at our Embassy in Moscow. In the Brazilian system, you have to monitor where there are vacancies for Minister-Counsellors and these positions are usually available in countries that are not quite your specialty. That was my case. I accepted that offer, left for Moscow and spent several years there. Later, I was offered the ambassadorship to Kazakhstan, which I also accepted. Upon returning to Brazil, I worked as Director for European Affairs, which allowed me to continue dealing with countries in the post-Soviet area since Ukraine, Belarus, Russia, and South Caucasus were included in the European section.

When I was asked to come here about three years ago, I was very glad to do so. I see Ukraine as a very interesting country at a very important time in its history. It is now one of the biggest questions of the European continent – where will Ukraine go? I think that Ukraine's choice will definitely have an impact on other ex-Soviet countries. If your country manages to become a modern European state, democratic and prosperous, it will have a knock-on effect on all of Eastern Europe and even Caucasus. Again, you are a very strategic country in a very special time so it is an honour for me to be here.

At the beginning of my tenure, we had a big challenge in our bilateral relations, namely the space programme. Since I was working on Brazil-Ukraine links on a day-to-day basis as part of the European directorate activities and, therefore, was quite knowledgeable about bilateral relations, the government considered that it would be easier for me than for other candidates for the post.

– One of the biggest problems of Ukrainian foreign policy is the absence of a long-term strategy. Now non-governmental organizations are seizing the initiative and trying to elaborate such a strategy. Over the years of independence, Latin America has often fell off our radar or has been neglected in favour of other regions

and countries. Has the situation changed? Is Brazil duly represented in these new policy recommendations?

– I guess you mean Ukrainian Prism, a project that regularly analyses foreign policy. They do conduct a very detailed examination of existing problems and I went to a meeting they held a few months ago. The problem is that you can never know whether the unsatisfactory situation is due to lack of interest or effort by Ukraine or by some other party or even due to the unfavourable international conditions as in the case of Central Asia, the area where Ukrainian foreign policy was most lacking last year. There is a strong Russian presence in that region and there is a policy of not allowing physical shipments of Ukrainian goods to pass through Russia towards Central Asia. Little could be done in this situation and you cannot blame Ukraine for the lack of effort. It is very easy to grade foreign policy looking from outside. However, if you are involved in the policy-making process, you know that it has its pitfalls. Sometimes hard work does not yield positive results, sometimes the conditions in countries are quite positive and everything works out even better than expected.

If to examine the last year's edition of Ukrainian Prism, there are such statements as 'this country does not totally support Ukrainian position.' Nonetheless, among those states there are also important partners, for example China, which does not totally support the Ukrainian position. In this region, you have to be ready for such questions, because you will definitely be asked if you are for or against Russia. It is the most significant issue for the countries of the region. Certainly, it is also an important issue for the West, although it still considers Russia a valuable partner. For African or Asian countries, it is not a matter of priority, which is why they abstain in resolutions on Ukraine. They understand that Russia's behaviour is flagrant, but at the same time they generally have much closer relations with Russia than Ukraine. Your country has to work more on presenting itself not only as a victim of the Russian aggression but also as a country with opportunities for trade, investment, studies, etc.

Nevertheless, it is a very useful initiative because your policy-makers can get an idea of what is being done, what efforts have been exerted and what results have been achieved.

– *Your Excellency, at the beginning of 2019, the inauguration of the newly elected President Jair Bolsonaro, who supports strengthening relations with the US, took place in Brazil. Ukraine has also recently inaugurated a new president. Both their electoral campaigns were often compared to Trump's campaign in the media. Can the similarities existing between them become an impetus for the further development of our bilateral relations? Will the priorities of cooperation between Brazil and Ukraine change in this respect?*

– I am not sure if we should put it this way. I think Brazil and Ukraine have had a good relationship over the last 25 years. From the point of view of Ukraine,

first president Kravchuk had already decided that this was an important partnership. I have to say that throughout the history of independent Ukraine, all Ukrainian governments have been working in this direction. There has always been a realization that Brazil is a very important partner, the leading country of Latin America. Another important issue for Ukraine is that about half a million Brazilians are of Ukrainian descent.

I do not know if the fact that Bolsonaro and Zelenskyy are both outsiders coming to the system as oppositionists trying to reconfigure it is going to have a big impact on our relations. What I do think is that there is a much more circumspect vision of Russia in this government than in the previous one. I would not go as far as to say that the previous government of Dilma Rousseff was pro-Russian, but its main foreign policy priority was to build a multipolar world and ensure that such countries as Brazil are reckoned with. This does not necessarily mean that you need to conduct anti-American policy, but we have witnessed a decline in the relations with the US and Europe. Consequently, there was an increasing preoccupation with how it is going to be seen in Moscow. Still, we have never, despite what some newspapers say, had a pro-Russian policy. We have never recognized Crimea as part of Russia. We have maintained our regional policy, which dates back to the times of Ukraine's proclamation of independence. We have recognized Ukraine as an independent country with Crimea and Donbas being its integral parts. To change this, one would need a new treaty, official statements on recognizing Crimea as part of Russia. This will never happen. It did not even happen during Dilma Rousseff's tenure, probably the most pro-Russian of our presidents. However, hers was not exactly a pro-Russian policy but more of a policy to maintain friendly relations with Russia. In this context, our policy-makers thought that any new action with regard to Ukraine could trigger a backlash from Russia. I think the situation has changed, because I don't see any specific preoccupation on the part of Bolsonaro and his foreign minister with how Russia sees things. They have, for the moment at least, given up on this policy of multipolar world, which, to be honest, has a lot of defenders in Brazil. They still defend it as a better option than a pro-US policy.

Currently, there is a very welcoming attitude to Ukraine in Brazil. In January, at the very beginning of the Bolsonaro government, there was a meeting with Mr Poroshenko in Davos. The leaders found common ground. President Poroshenko insisted that President Bolsonaro come with a visit to Ukraine. However, obviously due to the elections it was not possible. Now the situation is different and the window of opportunity is open. Both presidents come from outside the mainstream and are more close to each other in terms of their backgrounds. Nevertheless, the window being open does not necessarily mean that changes will follow immediately. There are still people saying that Ukraine is not a big

market and Brazil should not invest so much effort in this country. Therefore, the need for advancing the image of Ukraine as an important partner is still relevant. The question used to arise of how people would see this in Moscow. I think it is not so any more.

There has been much anxiety about Russia's interference in Venezuela's affairs. It appears that Russia is not looking to create positive relationships with Latin America, especially South American countries but is more interested in using crises in South America as a way to create problems for the US, which falls into this New Cold War policy of Russians. And this does not augur well for Latin America. Generally, we are totally open to relationships with other regions and other countries. Now we are working very well with the Chinese. They are our important trade partners and investors, but you cannot get the impression that they are in Brazil because they want to somehow create problems for Americans. To the contrary, for many years they have been very careful in coming into South America in such a way that would not burden relations with the US.

At the same time, Russia is focusing on selling weapons and establishing naval bases, which is suggestive of the absence of the Latin American dimension of its foreign policy. Instead, there is just a Cold War policy with a South American aspect. Moscow does not take our concerns into account and does whatever it deems fit, actually maintaining a regime, which is not only destroying Venezuela and its people but also fomenting refugee flows that are hurting Colombia, Brazil, and Peru. Every day hundreds of people are coming into one of the poorest states in Brazil in the Amazon basin, which has no capacity to accommodate them. They are coming in because there have no food and no medicines, no access to healthcare. We had a small outbreak of measles in Brazil because of them as people in Brazil are vaccinated, but there are no vaccines in Venezuela. The country is in dire straits. And in the end, because of this Cold War aspect, Russians are insisting on maintaining Maduro.

To conclude, in terms of relations between Ukraine and Brazil, I don't see any political difficulties. On the contrary, I think that we owe it to Ukraine to do something positive, because it was our decision to close the joint space programme, not Ukraine's. We have yet to see if there would be progress on the part of Zelenskyy and his foreign minister because although Poroshenko wanted good relations and wanted to visit Brazil, the difficulties with Russia, with the need to maintain the western alliance and maintain sanctions were so great that there was very little opportunity for either the minister or the president to go anywhere, except Europe, the US, Canada, etc. Therefore, we should not concentrate only on political high-profile visits. We should expand trade, business, cultural, and scientific contacts. You have to show Ukraine's potential as an economy, investor, and receiver of investments. People have to know that Ukraine may be interesting for them as a profit-making opportunity.

– *Then, let us proceed to economic matters. The most serious bilateral initiative of the last decade, the Alcantara Cyclone Space project, ended with a failure. What were the reasons behind Brazil's decision to unilaterally terminate the agreement?*

– I think it was some sort of a failure of our society to understand the importance of this project. The initiative was launched in the 1980s in the context of our own rocket programme. We decided to create a spaceport very close to the equator. The Brazilian Air Force was in charge of the project, but it never managed to produce rockets of appropriate size. Unfortunately, the lack of finance and resources did not allow us to start producing large liquid-propellant rockets like those of Ukraine, France, the US, and China. Thus, the base was not used, with the maintenance cost becoming unbearable for the Air Force. Consequently, it was decided to invite foreign partners. The first was the US, but then there were certain difficulties on the part of the leftist government, because Americans were seen as a bit imperialist. There were also difficulties with Russians who already had installations in Kourou.

In the end, we decided on Ukraine. It was an era economic upswing, strong increase in tax revenues, and a time when there were no controversies between Ukraine and Russia. The Ukrainian party could engage Russians in areas where Ukraine lacked capacity. Later, all of it started to become more difficult due to lack of resources, difficulties with Russia, and economic crisis... Hence, further investments became futile.

The new option that we saw was to lease certain areas of the base to the parties concerned. The US wanted to lease a part of the base for launches, because if you are at the equator, 25 percent less fuel is needed than at high latitudes.

It is possible that in the future Brazil and Ukraine will go back to this programme, but then, of course, we will have to be very clear about our real capacities and real needs. For example, one of the problems of this project was that there was no transfer of technology, whereas all the strategic cooperation projects that we have, be it submarines with Germany or computers with France, have such a component. In Brazil, it is very difficult to justify spending huge amounts of money on defence equipment without the transfer of technology, because there is no real perspective of a war on the continent, there is no real military enemy that is supposed to invade Brazil. If we are going to spend billions of dollars, it must have a strategic component and must include a transfer of technology. Recently, we tried to develop new fighter planes and a tender was held in which several countries participated, namely the US with F-18, Russia with SU-35, Sweden with Gripen, and France with Rafale. In the end, we opted for Gripen, because it is less expensive and has only one engine. We do not really need top-of-the-line planes. Our neighbours are not going to invade us anyway, so we do not need expensive military equipment. Gripen jets can be renewed, so there is a possibility for Embraer, a Brazilian airplane company, to cooperate with Saab. This programme also provides for a transfer of technology.

There was no such transfer in our space project, but this is not Ukraine's fault. The problem was that the project did not have the full support of the military in Brazil, which are the most important element of any international strategic military cooperation. Politicians come and go, the military stay. If they are interested in a project, they will support it and make sure it goes through even if there is a crisis, inflation, etc. We did not have their support for this particular project, but I think everything is possible in the future. One of the things I am trying to do now is to engage Brazilian and Ukrainian militaries. First of all, I think they should meet each other and discuss common problems, for example Ukrainians can tell us more about the situation here, in Eastern Europe, while we can share our expertise on countering drug trafficking and trafficking in persons. We should cooperate, exchange officers, invite Ukrainians to training courses in Brazil. The Brazilian military will have an opportunity to discover that Ukraine has a very sound technology base, which is not expensive. The Brazilians generally do not buy from trading companies, like Ukroboronexport. The military feel much more comfortable if they know the officers on the other side. Another important issue is that there is no resident military attaché in Kyiv. We have one in Turkey who comes here three times a year, but that is clearly not enough. I will be glad if we manage to change it.

In the past, it was not so obvious that Ukraine was an important partner for Brazil. I would say that Brazil was not ready for such an ambitious and costly project, at least not our previous government, which did not really value such technological aspects, often pointing to 'lack of resources'. In Brazil, the phrase 'lack of resources' means that it was just not of sufficiently high priority. However, in the case of Ukraine, the lack of resources did surface because of the crisis after 2013.

Account should also be taken of how to launch and how to monitor space-ships in orbit. Ukraine's strong suit is the production of missiles that were used during Soviet times for defence purposes, in particular, ballistic missiles. After the collapse of the Soviet Union, Russians designed their own and Ukraine has been selling some of these missiles for space programmes in other countries, but it has never had its own capacity to launch and monitor. In my opinion, we could have overcome it if we had cooperated with a third party.

– *Is there a possibility that at some time in the future we will be able to implement a similar project?*

– I think the fact that the abovementioned initiative did not work, does not mean that there are no opportunities for cooperation. I think we were too ambitious. Besides, there was a natural need in Ukraine to manage the production process at Pivdenmash, and in Brazil there were politicians with short-term interests who ended up far from government in five years' time. The project was not seen as something of the long term. And now, whenever it comes to these topics, I suggest starting with small-scale initiatives. The edifice of cooperation

must be constructed in bottom-up rather than top-down manner. During the Cold War, we were isolated from each other, so our links are only about 25 years old. It is a very new relationship and there is still a lot of work to do.

Take, for example, the field of science and technology. The traditional partners of Brazil are Europe, the US, and Canada, where most Brazilian scientists obtain their master and doctoral degrees. It is difficult, it takes time to diversify our partnerships and send people here. We are still very much focused on partners that have been working with us for 200 years, essentially since 1822, when we gained independence. Brazil is, however, very interested in new educational opportunities, exchange of scientists, and joint scientific programmes. Ukraine has a very sound scientific potential and the development of cooperation in this area should be one of our objectives. I think the space programme was a bit ahead of its time, it was too ambitious in terms of what we were ready to do at that time and in the end. Nevertheless, I am hopeful that there is still room for progress.

It is always difficult to convince people to trade or study in a country they know nothing about. Brazil is very well known here, but, unfortunately, the Soviet Union isolated Ukraine, thus forcing us to liaise solely with Moscow. Even in Europe your country still remains a blank spot to many.

Therefore, you need to exert more efforts to make Ukraine better known in Latin America, with its 500 million population, as well as in Africa, and Asia. The world is growing less and less Eurocentric. Today, the cumulative economic potential of the US and European economies accounts for two thirds of the global GDP, but in 50 years their share is expected to shrink to one third. Given the war in Donbas, it is perfectly understandable that the efforts of the Ukrainian government and diplomacy are directed towards allies against Russia and are thus concentrated on Europe. As time passes, exerting more efforts to raise awareness of Ukraine in other continents remains relevant.

– *There is a representative office of the Ukrainian company Motor Sich JSC in Brazil. Are there any examples of successful work of other Ukrainian enterprises or joint ventures? Which fields of economic cooperation between our countries are the most effective and what areas should entrepreneurs of both countries pay attention to?*

– The insulin programme is the first thing that comes to mind. In Brazil, there is an obesity epidemic and an increasing number of people are becoming tolerant to insulin. We were importing insulin from Ukraine for almost 10 years. Since we have a public health service, it is very important to have access to low-cost insulin to prevent budget deficit. Therefore, we made a decision that a part of our demand has to be met by internal production. A joint venture between Ukraine's Indar and the Brazilian company in the State of Bahia was established to create a local factory there. It is quite a long process, so it will take some time. Hopefully, the facility will be running by next year and become a true success story.

I am also in contact with some people in Kharkiv about possibilities of selling Ukrainian information technology services for medical systems administering. Ukrainians have quite an impressive record in IT sphere and have developed some very interesting things that will allow us to buy less medicines and show better results.

We reached quite a high level of trade in 2010–2012. Ukrainian hryvnia was strong, making our exports commercially viable. The crisis brought this period to an end, but the greater challenge is that Ukrainian companies have always faced difficulties in exporting. It seems that there is not enough support on the part of the government: not enough embassies with trade sections, not enough participation in fairs. The Ukrainian industry is still very much inward-looking. We have always had trade surplus with Ukraine. That is not because we want it or we are restricting Ukraine, absolutely not. We would be happy to import from Ukraine, but I think you have to strengthen your export capacity first.

Just to provide an example, I once had a meeting with Deputy Minister of Economic Development and Trade Natalia Mykolska, who was in charge of export promotion. I asked for a meeting with her because I was told that Mr Kubiv wanted to go to Brazil on a trade mission and we should prepare something. The exports to Brazil are already quite low and may become even lower, because most of them are fertilizers and you need them here in Ukraine. It is understandable that Brazil is not a priority, as compared to the EU. However, it seems that Brazil was not on the radar of the Ministry at all, while it is the 8th largest economy in the world. It will take time for Ukraine to give up its exclusive focus on Europe, Canada, and the US and start looking at Africa, Asia, and Latin America. While it is true that the European fruit is low-hanging, its economy will not be growing as fast as the economies of other countries in the long run. Hence, the work of the Embassy here is to lay the groundwork for strengthening cooperation between our countries.