Brazilian Development Cooperation in Africa

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Presentation Outline

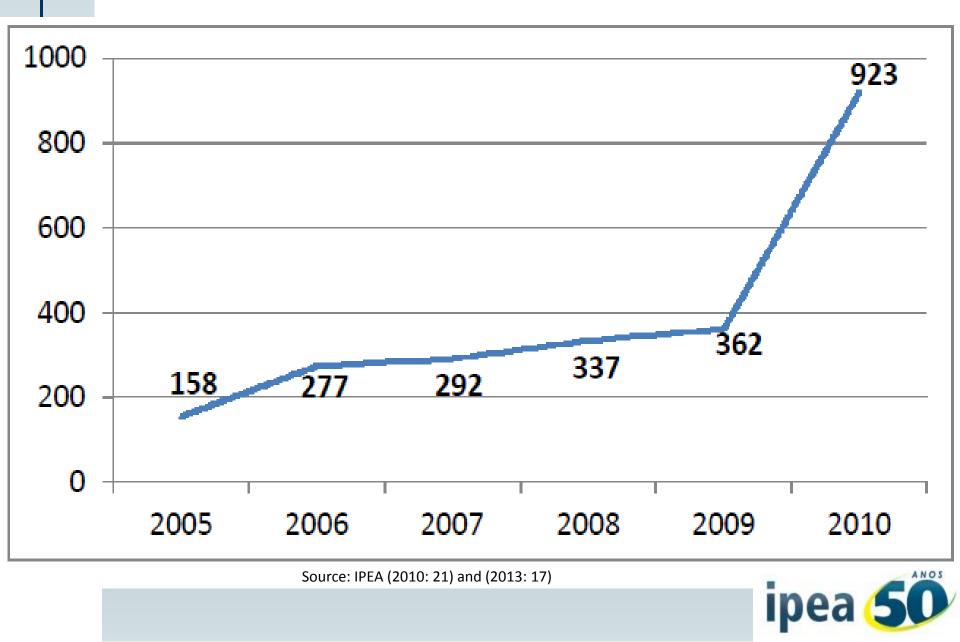
- The growing significance of Brazilian international development cooperation
- Brazil's increasing political and economic presence in Africa
- Brazil's development cooperation in Africa general indicators
- Anecdotal cases agriculture and health in Mozambique
- Challenges to the sustainability of Brazilian development cooperation in Africa



- An "emerging donor?"
- First initiatives date to the early 1970's
- Increases significantly in resources and geographical reach after 2003
 - Volume of resources increased more than four times during Lula government: from US\$ 158,1 million in 2005 to US\$ 923 million in 2010 (Ipea)
 - Number of beneficiary countries grows from 21 to
 56 from 2003 to 2007...
 - 35 of which are located in Africa



Brazilian international development cooperation expenditure 2005-2010 (US\$ millions)



Brazil's growing political and economic presence in Africa

- Number of Brazilian embassies in the region more than doubles since 2003, from 18 to 37, surpassing the UK
- The number of African embassies in Brasília also more than doubled (16 to 34) and is now superior than in any other capital in the Western Hemisphere except Washington D.C.
- President Lula made 12 trips to Africa, visiting 21 countries
- As Brazil's Foreign Minister (2003-2010), Celso Amorim made 67 official visits to African countries
- Since 2003, Brazil received 47 visits of African leaders from 27 nations
- Trade has increased to US\$ 20 billion, climbing back to 6% of overall trade
- Brazilian companies currently invest in 19 African countries
 - BNDES financing for these companies increased from R\$ 477 million (2008) to R\$ 649 million in 2009
 - Main countries: Angola, Mozambique, Libia and South Africa
 - Main sectors: construction, oil, mining

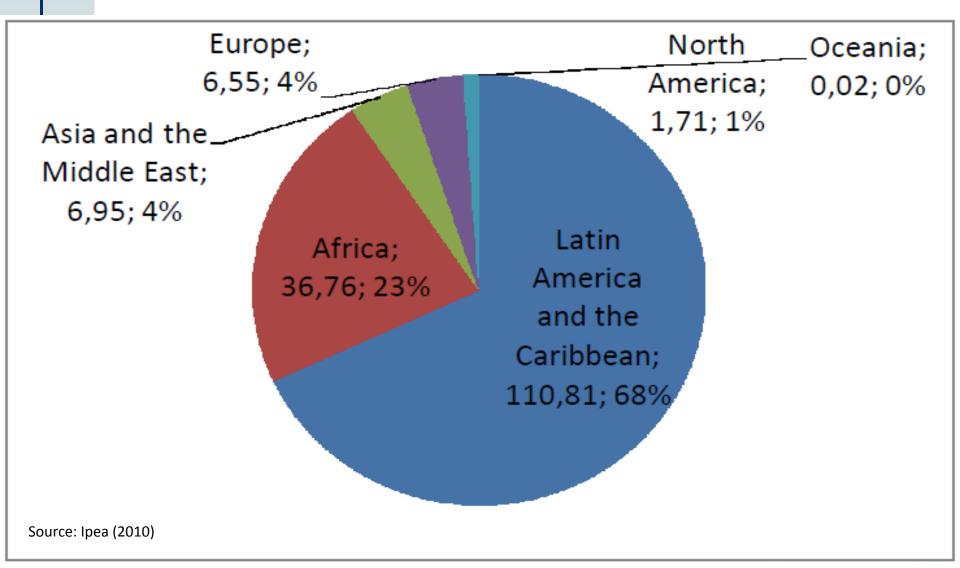


Brazil's development cooperation in Africa

- In 2010 amounted to US\$ 36,76 million...
- and represented 23% of total Brazilian international development cooperation (Ipea, 2010)
- Regionally is second only to Latin America
- Still considerably inferior to Chinese and Indian development cooperation in the region...
- But with some purported comparative advantages
 - Historical and cultural affinity
 - Similarity in climate, environmental, urban and social conditions
 - How well does Brazil know Africa?

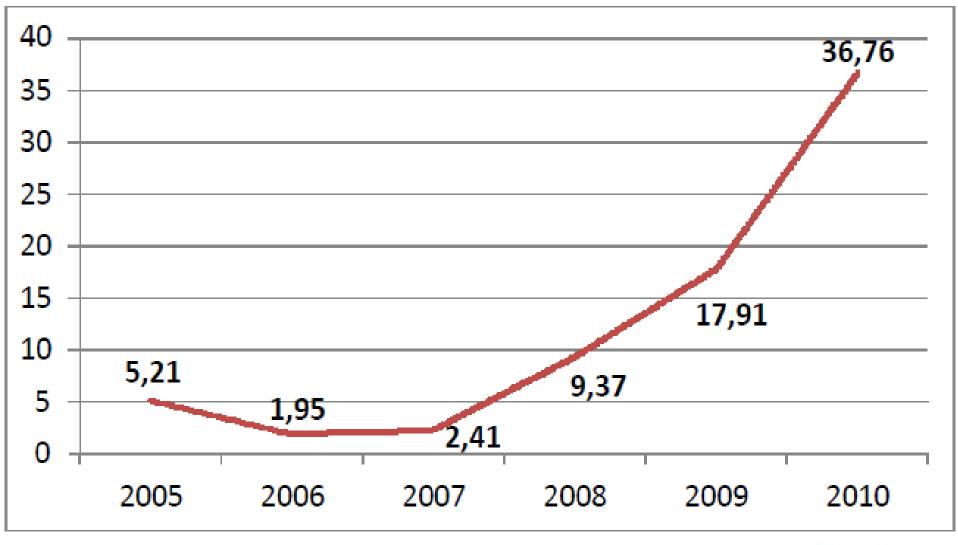


Regional Distribution of Brazilian Development <u>Cooperation, 2010 (U</u>S\$ millions and %)





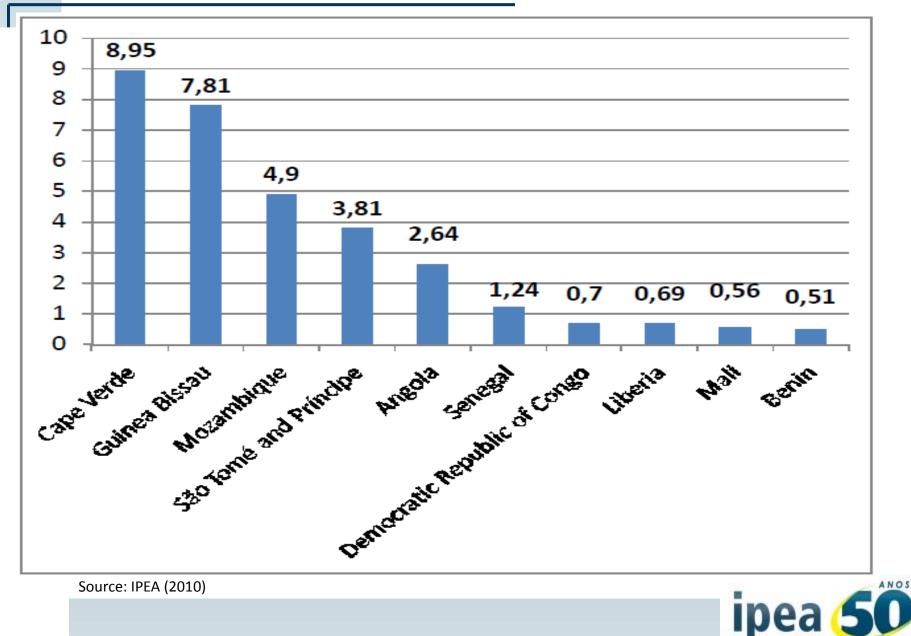
Brazilian Development Cooperation in Africa, 2003-2010 (US\$ millions)



Source: IPEA (2010: 57 and 2013: 18)



10 Most Important Partner Countries of Brazilian Technical Bilateral and Trilateral Cooperation in Africa, 2010 (US\$ millions)

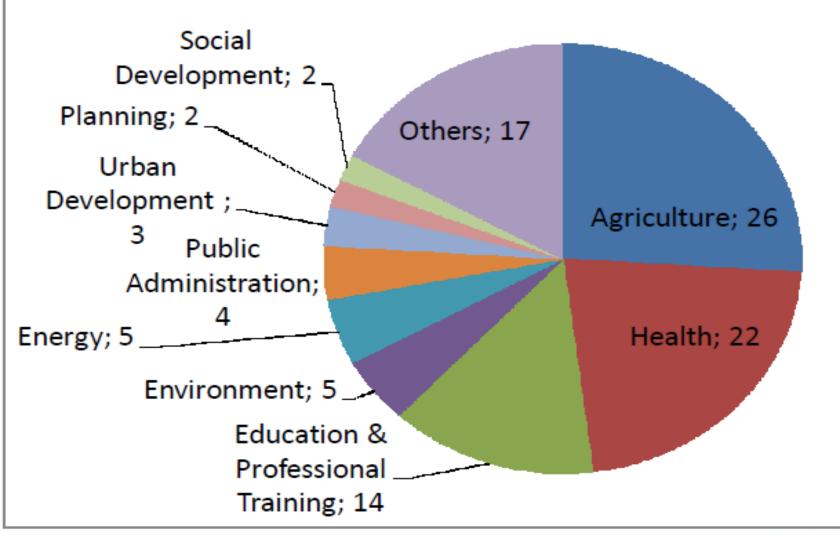


A Distinct Model of Brazilian Development Cooperation in Africa?

- Importance of intangible assets (such as knowledge)
- Uses extensively trilateral (Japan, ILO) and multilateral channels
- Concentration on social development issues: food and agriculture, health, and education
- Attempts to replicate in Africa Brazil's so-called "best practices"
 - Embrapa, Cotton-4 and ProSavana
 - Fundação Oswaldo Cruz and Antiretroviral Pharmaceutical Plant
 - SENAI and 8 Vocational Training Centers
 - Bolsa Família



Brazilian Technical Cooperation in Africa, <u>Development Issue Areas, 20</u>03-2010 (% of resources)





Source: ABC

Challenges to Brazilian Development Cooperation in Africa

- Considerable institutional fragmentation and lack of central planning and coordination
 - ABC, Ministries, Subnational entities, state companies, BNDES
 - May result in redundancies and prevent synergies and joint efforts
 - Decreases transparency and undermines aggregate monitoring and evaluation of costs and benefits
 - Tends to lead to ad-hoc projects and prevents long-term planning
- Brazilian legislation prevents the financing of activities and the hiring of personnel abroad
- How replicable are Brazilian best-practices in Africa?
 - How well does Brazil know Africa?
 - Brazilian best-practices oftentimes result from the organization and mobilization of domestic civil society
 - Who implements the best-practices in Brazilian development cooperation arrangements?



Thank you!

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