

# Brazil's International Development Cooperation at a Crossroads

The IDS Rising Powers in International Development programme has launched a series of studies of key issues and debates on international development cooperation in BRICS countries, working with leading specialists from each country. This policy briefing outlines the key findings of the 'State of the Debate' report on Brazil's development cooperation policy. Brazil has engaged in South-South Development Cooperation (SSDC) since the 1960s, but the scale and nature of its activities have changed dramatically in the last decade, leading to a number of practical challenges. A recent announcement that technical cooperation and trade promotion will be merged into a single government agency has sparked a welcome policy debate, but the likely effects of such a major policy shift remain unclear.

## Brazil as a 'partner in development' rather than a donor

Brazil's historic experience as an aid recipient, combined with the country's relative lack of dependency on Northern funds to support its own development trajectory, has contributed to creating and sustaining a critical approach towards traditional aid. This approach emphasises ideals of horizontality, non-conditionality and the importance of allowing development cooperation to be demand-driven. Brazil's development cooperation discourse strongly affirms the country's Southern identity and emphasises that Brazil does not see itself as a 'donor', with all the asymmetries implied by traditional aid relations, preferring to refer to itself as a 'partner' in and for development.

Despite Brazil's critical stance on traditional aid, international organisations and Northern donors have been crucial partners in Brazilian SSDC in terms of funding, knowledge sharing and capacity building. Such partnerships are likely to continue, especially if no changes are made to the restrictive legal framework governing Brazilian institutions' overseas activities, which tends to leave their cooperation programmes dependant on bilateral or multilateral agencies for procurement and delivery. Cuts to the budget of the Brazilian

Cooperation Agency (ABC) since 2012 have also contributed to an increase in the number of trilateral cooperation initiatives with Northern donors or UN agencies.

## No single model for Brazilian development cooperation

Officially Brazil prioritises knowledge sharing – technical assistance, skills transfer and capacity building – over other modalities of cooperation. The country claims to have a first-hand understanding of poverty and underdevelopment, which differentiates it from industrialised countries. Its current role in development cooperation is marked by international recognition of its recent domestic development successes. These are a rich source of experience that are potentially useful for other countries.

However, Brazil is sometimes seen as 'exporting' practices promoted by different interest groups, without proper consideration of how to reflect on, and adapt these to, the local realities of different partner countries. Although it is common to hear about 'the Brazilian development model' in debates on development, participants in the Brazil 'State of the Debate' study talked about different 'Brazils' existing side by side, generating a multiplicity of ➤

'models', and policies and programmes with different – and sometimes competing – development objectives. An example of this can be seen in agricultural development cooperation, in which official engagement promotes both large-scale agribusiness and small-scale family farming.

In recent years, Brazil has significantly increased its investment in development cooperation, with estimates for cooperation expenditure in the five years to 2009 varying between approximately US\$1.60 and US\$4.17 billions, according to whether modalities such as debt relief, food aid and export credits are included alongside those accounted for in the official international cooperation statistics report. This report, known as COBRADI, currently accounts for spending according to seven different modalities of development cooperation: technical cooperation; scientific and technological cooperation (including joint research programmes); educational cooperation (including scholarships); contributions to international organisations (particularly those associated with the Mercosul regional grouping); humanitarian cooperation (including food aid); refugee support and protection; and peacekeeping operations.

While Latin America was the region in which ABC implemented the largest number of technical cooperation initiatives between 2005 and 2010, projects with African countries received the largest share of ABC funds. Haiti has been a major humanitarian aid recipient, receiving 25 per cent of Brazil's total humanitarian cooperation budget over this period. Agriculture, health and education (including vocational training) were the three sectors which featured most strongly in Brazil's cooperation portfolio.

Historically, Brazilian cooperation projects have tended to be small-scale and relatively short-term. However, this is beginning to change as the country articulates a more strategic 'structuring cooperation' approach to developing capacity in sectors such as agriculture and health. In key partner countries

Brazil is also starting to launch more ambitious and longer-term initiatives. These are often linked to major investments by Brazilian companies – a modality of which the ProSavana regional agricultural development initiative in Mozambique is the most high-profile example.

### **Growing pains and coordination challenges**

A defining feature of Brazilian SSDC is its delivery by civil servants who are based in different line ministries and government institutions, rather than a central aid agency. This means that experts with first-hand experience of designing and delivering policies and programmes in Brazil are able to share their knowledge with peers in partner countries. However, high staff turnover, workload and lack of experience of working in different environments all pose serious challenges.

President Luiz Inácio Lula da Silva's administration (2003–2010) gave development cooperation a key role in Brazilian foreign policy, leading to an unprecedented mobilisation of national actors who became involved – many for the first time – in international development cooperation. While ABC, which is part of Brazil's Ministry of External Relations (MRE), may appear to be the obvious point of coordination for development cooperation, decision-making processes are actually dispersed and fragmented. The traditional influence of donors and of some government agencies has now been complemented by the increasing influence of the Presidency, additional ministries, subnational governments, the private sector and civil society organisations (CSOs).

Under Brazil's current president, Dilma Rousseff, ABC's budget has been cut as the government has prioritised responding to domestic challenges. However, the President has signalled that she wishes to see greater alignment of development cooperation activities with the country's commercial interests, which would represent a significant shift away from Brazil's traditional stance on SSDC.

**“President Luiz Inácio Lula da Silva's administration gave development cooperation a key role in Brazilian foreign policy, leading to an unprecedented mobilisation of actors becoming involved in development cooperation.”**

## A new agency to oversee cooperation, trade and investment?

President Dilma Rousseff announced during the African Union's 50th anniversary celebrations in May 2013 that a new agency would take on combined responsibility for cooperation, investment and trade with Africa and Latin America. Emphasising the importance of Brazil's cultural and economic relations with Africa and the continent's renaissance, President Rousseff also announced that the government would forgive debts of African countries as a means of guaranteeing 'more effective relations', and expressed gratitude for Africa's support in the election of Brazilian candidate Roberto Azevêdo to the post of Director-General of the WTO. The President's Office has described debt forgiveness, the establishment of the new agency and the negotiation of new investment treaties and financing conditions as 'measures aimed at intensifying Brazil's relations with the African continent relying on reciprocal cooperation and mutual development'. Researchers and civil society representatives have expressed concern over putting Brazil's development cooperation under the same umbrella as trade and investment, and the establishment of the new agency has yet to be officially set in motion. However, there is broad agreement that ABC should be strengthened, or a new agency created, in order to overcome the current legal, institutional and management challenges faced by Brazilian development cooperation.

“Those interviewed during the study emphasised the need to avoid ‘depoliticisation’ or ‘technification’ of development cooperation and to pursue a rights-based approach.”

### Non-state actors: private sector, civil society and social movements

Brazil's private sector has long been an actor in the development landscape of Africa and Latin America, chiefly in mining, oil and gas, construction and agriculture. Brazilian FDI in Africa has been on a steep upward trajectory in recent years. Yet, private sector firms taking part in the 'State of the Debate' study described working in low-income African countries as challenging, with contract enforcement, facilitation of payments and competition with Chinese and Indian firms all being cited as issues. These difficulties have recently been compounded by a labour shortage within Brazil which makes it harder to secure qualified Brazilian personnel for projects overseas. Although Brazilian firms such as the mining giant Vale have been criticised for the social and environmental impacts of some of their investments in Africa, several interviewees were proud of their firms' records and expressed the view that corporate social responsibility projects are even more important in Africa than Brazil, due to the difficult social and

economic conditions faced by many of their African employees.

Civil society organisations and social movements have played a key role in many of the social policy innovations which Brazilian SSDC is seeking to share in fields such as health, education, social protection, agriculture and food security. Some Brazilian civil society organisations are also experienced players in development cooperation, and are highly engaged in transnational networks. Those interviewed during the study emphasised the need to avoid 'depoliticisation' or 'technification' of development cooperation and to pursue a rights-based approach, as well as ensuring that Brazilian development cooperation is accountable and participatory. There is a strong perception that Brazil stands out amongst the BRICS for its potential to promote a participatory approach to development cooperation – including sustained dialogue with civil society both within Brazil and in partner countries – but that this potential is not currently being realised.

## Policy implications

- Brazil is perceived as having the capacity and legitimacy to lead on the transparency agenda when it comes to BRICS engagement in development cooperation. However, despite the important contribution made in recent years by the series of official Brazilian Cooperation for International Development (COBRADI) reports compiled by the government think tank IPEA, much still needs to be done to ensure the availability of consistent and accurate data covering the full range of Brazil's diverse development cooperation modalities.
- Brazilian civil society is demanding formal recognition as a legitimate actor and seeking opportunities to contribute to Brazilian development cooperation planning, implementation and monitoring. However, no regular funding mechanism or formal dialogue channel currently exists which could support CSO solidarity and cooperation initiatives and enable civil society to help to strengthen official development cooperation.
- A systematic assessment of the approaches and impact of the diverse initiatives which make up Brazil's development cooperation portfolio is essential to underpin better understanding and more effective communication of its uniqueness. However, such evaluation knowledge as currently exists tends to stay within the agency where it is generated, limiting the scope for mutual learning and its potential contribution to shaping a more coherent strategy.
- Country-level studies could help to understand the perceptions of partners and the broader context in which Brazilian cooperation takes place, and could be combined with systematisation of the experiences of both traditional and emerging donors in the same partner country. However, ABC has yet to incorporate country-level assessments or strategies into its programming – indeed, these would run counter to the demand-driven logic whereby initiatives are supposed to derive from partner country governments' requests for support rather than from strategic planning by Brazilian agencies.
- Establishing broad policy consensus and building a strong constituency for Brazil's engagement in development cooperation will be crucial in guaranteeing its sustainability, against a backdrop characterised by major political and economic changes in the country. However, the government has yet to signal that it wishes to take up the proposal from civil society to hold a national conference on development cooperation to present the current portfolio and explore different stakeholders' perspectives on why Brazil should cooperate with other developing countries, and which legal and institutional changes could strengthen the effectiveness of this cooperation.



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## Further reading

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