



Brazil in Africa: Just Another BRICS Country Seeking Resources?

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Summary points

- Over the last decade, Brazil has expanded its engagement with Africa, doubling its diplomatic presence from 17 to 37 embassies.
- New economic partnerships have been forged, raising trade with Africa in the same period from US\$4.2 billion to US\$27.6 billion.
- Oil and other natural resources account for 90% of Brazil's imports from the continent and Brazilian investment is focused mainly on Lusophone Africa.
- Brazilian policy-makers see Africa's biggest potential as providing a consumer market for their country's manufactured goods.
- Brazil also uses its Africa policy as a means to achieve its foreign policy goal of being recognized as a major power.
- South–South cooperation is a key driver of Brazil's Africa policy as it is seeking support for a permanent UN Security Council seat.
- Brazil advocates South–South cooperation projects that are based on its own development experience. Biomedical and health research and agricultural research have been turned into effective foreign policy instruments.

Pontos de resumo em português na página 19.

Introduction

'Brazil is not coming to Africa to expiate the guilt of a colonial past. We also don't see Africa as an extensive reserve of natural riches to be explored. Brazil wants to be a partner for projects of development. We want to share experiences and lessons, add efforts and unite capacities.'¹

Luiz Inácio Lula da Silva, President of Brazil 2003–10, at the Opening Ceremony of the 13th African Union Summit, Sirte, Libya, 1 July 2009.

Largely unnoticed by international media and academia, South America's economic powerhouse Brazil has actively enhanced its presence on the African continent during the last decade. In the shadow of its BRICS partners China and India, whose engagement with Africa has attracted international attention and spurred a heated debate, Brazil has implemented an equally active, though less controversial policy towards Africa and has emerged as a relevant player on the continent.

In less than ten years, Brazil has more than doubled its diplomatic presence in Africa from 17 to 37 embassies, and it is now among the countries with most diplomatic representations there.² In parallel, relations in the economic realm have intensified, with trade increasing sixfold. New economic partnerships have been forged, linking Brazil's Common Market of the South (Mercado Común del Sur – MERCOSUR)³ with the Southern African Customs Union (SACU) and the Southern African Development Community (SADC). In addition to its traditionally close ties with Lusophone Africa, united in the Community of Portuguese-Speaking Countries (Comunidade de Países de Língua Portuguesa – CPLP), Brazil has further established partnerships with other African regional or sub-regional organizations on a bilateral basis. Cooperation agreements with the Economic Community of West African

States (ECOWAS), the New Partnership for Africa's Development (NEPAD) and the African Union (AU) complement Brazil's new engagement with regional integration schemes in Africa and underpin its quest for a more active role there.

Another indication of Brazil's new commitment to Africa is also the number of visits by its heads of state. Former president Lula da Silva (2003–10) visited 29 African countries on a total of 12 journeys during his eight years in power. His successor, President Dilma Rousseff, despite her reluctance to travel and her rather low interest in foreign policy,⁴ has paid a visit to three African countries during her first year in office. Numerous journeys by foreign and economic ministers, accompanied by large business delegations, have further contributed to the development of relations and a growing Brazilian presence in Africa.

Moreover, Brazil has initiated a great number of political and cultural forums to deepen ties, ranging from broadly defined, multi-thematic events such as the Brazil–Africa Forum, which brings together academics, government officials and civil society representatives, to high-ranking biennial summits such as the Africa–South America Summit of heads of state. Thematic events such as the Dialogue on Food Security, Fight against Hunger and Rural Development further add to the intensification of contacts and exchange of knowledge.

Brazil has also made an effort to contribute to Africa's development by transferring technical expertise and providing assistance to African countries. Although still a recipient of development assistance itself, it has emerged as a new donor in Africa. Noteworthy in this context is not only its decision to relieve African countries' debts of more than US\$ 1 billion,⁵ but also the fact that more than half of Brazil's technical cooperation resources is directed towards the continent.⁶

1 Translation by the author, see full speech at <http://www.imprensa.planalto.gov.br>.

2 In terms of the number of embassies in Africa, Brazil ranks fourth, with 37 embassies, after the United States (49), China (48) and Russia (38).

3 The other members are Argentina, Paraguay, Uruguay and Venezuela.

4 Some analysts maintain that Dilma Rousseff's reluctance to travel is due to health problems and not to a lack of interest. In any event, in contrast to her predecessor Lula who maintained an intensive travel diplomacy schedule, she has chosen to limit her visits to Brazil's most important partners.

5 K.R. Rizzi, C. Maglia, M. Kanter and L. Paes (2011), 'O Brasil na África (2003–2010): Política, Desenvolvimento e Comércio', *Conjuntura Austral* 1(5), pp. 1–21, cited in World Bank/Instituto de Pesquisa Econômica Aplicada (IPEA) (2011), *Bridging the Atlantic. Brazil and Sub-Saharan Africa: South-South Partnering for Growth* (Washington, DC/Brasília), p. 42.

6 World Bank/IPEA (2011), p. 43; Agência Brasileira de Cooperação (2009), *A Cooperação Técnica do Brasil para a África*, Brasília.

Clearly, Brazil has a great interest in Africa, but it is less obvious what this interest is about. Is Brazil just ‘another emerging power in the continent’,⁷ disguising its economic interests by offering aid projects to its partner countries? Is it striving to secure African resources in order to ensure its economic development, following the same pattern as its BRICS partner China? Or is the Brazilian engagement in Africa driven by a ‘Southern solidarity’, as Brazilian government officials and academics maintain?⁸ Is there a specific pattern in Brazil’s Africa policy that distinguishes it from other emerging powers on the continent?

This briefing paper sets out to give an overview of Brazil’s activities in Africa and analyse its motives for engagement. It starts by detailing the different activities, highlighting the basic principles and peculiarities of Brazil’s Africa policy. In addition to outlining the country’s engagement in traditional economic sectors such as natural resources and construction, the paper draws particular attention to Brazil’s remarkable recent efforts and commitment in the policy fields of health, rural development and energy. The

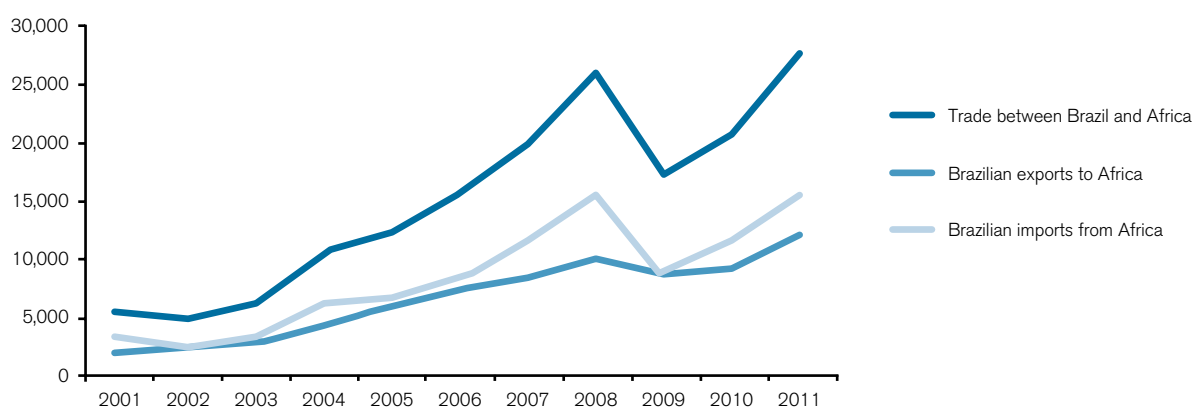
underlying motives and interests of Brazil’s Africa engagement are then traced within the context of the country’s general foreign policy orientation.

Brazil's economic engagement in Africa

During the last decade, Brazil has significantly stepped up its economic engagement in Africa. There has been a sharp rise in trade since the beginning of the millennium. As Figure 1 shows, between 2000 and 2011 it increased more than sixfold, from US\$4.2 billion to US\$27.6 billion. After suffering an interim drop in 2009 owing to the global financial and economic crisis, trade had already resumed its upward trend the following year. Since 1990 trade between Brazil and Africa has registered impressive growth rates of 16% p.a. Compared with its BRICS partners, Brazil has seen the second highest increase in trade with Africa, after China.⁹

Although Brazil has put great effort into extending commercial ties with African countries, the trade balance is still in favour of Africa: Brazilian imports from the

Figure 1: Development of Brazil–Africa trade, 2001–11 (US\$bn)



Source: Ministério do Desenvolvimento, Indústria e Comércio Exterior, Secretaria de Comércio Exterior: Intercâmbio Comercial Brasileiro África (exclusive oriente médio), 06/08/2012. (Ministry of Development, Industry and Foreign Trade, Secretariat for Foreign Trade: Commercial Exchange Brazil-Africa (without Middle East), 6 August 2012.

⁷ Alexandre Barbosa de Freitas, Thais Narciso and Marina Bianclalana (2009), ‘Brazil in Africa: Another Emerging Power in the Continent?’, *Politikon*, 36(1), pp. 59–86.

⁸ Between March and June 2012 the author conducted interviews on Brazil’s Africa policy at the Brazilian Foreign Ministry (Itamaraty), the Brazilian Cooperation Agency (ABC), the Brazilian Ministry for Development, Industry and Trade (MDIC) and other Brazilian governmental, economic, and academic institutions. The vision of a ‘foreign policy towards Africa driven by solidarity’ was frequently expressed.

⁹ Simon Freemantle and Jeremy Stevens (2009), ‘Tectonic Shifts Tie BRIC and Africa’s Economic Destinies’, *Standard Bank Economics, BRIC and Africa*, 14 October 2009, p. 10.

continent accounted for US\$15.43 billion in 2011, whereas its exports to Africa accounted for US\$12.22 billion. More significantly, as data from the African Development Bank show, imports from the continent are more important for Brazil than imports from Brazil are for Africa. While African countries accounted for 6.6% of Brazil's total imports in 2009, Brazil represented only 3.4% of total African imports.¹⁰ This imbalance is also reflected in the ranking of Africa's most important trade partners: while Brazil is the 10th most important export destination for Africa, it is only the 16th most important trade partner for imports. In terms of the ranking of Africa's emerging trade partners, Brazil is in fourth place, behind its BRICS partners China and India, and South Korea.¹¹ African countries combined are currently Brazil's fifth biggest trading partner for exports and imports.¹²

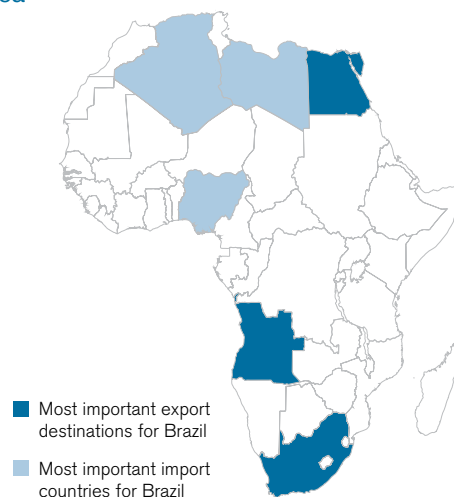
Is it all about resources?

In terms of the composition of trade, Brazil's resource interests seem to dominate the picture: oil and other natural resources make up almost 90% of its imports from Africa.¹³ Its most important trade partners on the continent also seem to fit neatly into the pattern of a resource-hungry BRICS country coming to Africa: its major trade partners Nigeria, Angola, South Africa and Libya are all rich in resources. Moreover, nearly all the big Brazilian companies investing in the continent are involved in the resource sector.

Yet the pattern is not as clear as it might seem at first glance. Brazil, in contrast to its BRICS partners China and India, is a resource-rich country itself and is not dependent on Africa's resources. In fact, natural resources account for an important part of Brazil's total exports, and some analysts maintain that it is even too dependent on exporting these.¹⁴ Brazil's engagement in Africa's

resource sector is explained by the fact that the majority of the country's large-scale enterprises are specialized in resources. It is therefore not a strategy of securing resources but rather their attempt to internationalize and diversify away from the Brazilian market.

Figure 2: Brazil's most important trade partners in Africa



Source: MRE/Divisao de Inteligencia Comercial 2012 [Brazilian Foreign Ministry/Economic Intelligence Division 2012], pp. 12–13.

The current pattern of oil imports seems to reflect the past rather than indicate likely future developments. Economic engagement in resource-rich countries dates back to the 1970s when the Brazilian military regime tried to meet the country's growing energy demand by importing oil from Africa.¹⁵ At that time Brazil was almost totally dependent on foreign oil imports and suffered severely from the effects of the first oil crisis. Economic ties with oil-rich countries in Africa also proved to be valuable in the first years of the new millennium, when a wave of energy nationalism in South America led Brazil to try to diversify away from politically motivated oil

10 African Development Bank (2011), 'Brazil's Economic Engagement with Africa', *Africa Economic Brief*, Vol. 2, No. 5, 11 May 2011.

11 African Economic Outlook (2011), 'Africa's Emerging Partners. The Broad Range of Emerging Partnerships', <http://www.africaneconomicoutlook.org/en/in-depth/emerging-partners/africa-pushes-aside-post-colonialism/the-broad-range-of-emerging-partnerships/> (last accessed 17 October 2012).

12 Ministério do Desenvolvimento, Indústria e Comércio Exterior (2011) *Balança Comercial Brasileira. Dados Consolidados* [Brazilian Ministry of Development, Industry and Foreign Trade, Brazilian Trade Balance. Consolidated Data], Brasília, pp. 18 and 28.

13 *Ibid.*, p. 28.

14 Ruchir Sharma (2012), 'Bearish on Brazil. The Commodity Slowdown and the End of the Magic Moment', *Foreign Affairs*, Vol. 91, No. 3, May/June 2012.

15 Ricardo Sennes and Thais Narciso (2009), 'Brazil as an International Energy Player', in Lael Brainard and Leonardo Martinez-Diaz (eds), *Brazil as an Economic Superpower? Understanding Brazil's Changing Role in the Global Economy* (Washington, DC: Brookings Institution Press), pp. 17–54.

exporters in its own neighbourhood.¹⁶ Since 2007–08, however, when the world's largest oil discovery in 20 years was made in Brazil, it has become clear that in the near future the country will no longer be dependent on foreign oil imports.¹⁷ As it becomes a major oil exporter itself, its demand for oil from Africa will considerably diminish.¹⁸ This trend is already reflected in the strategy of Brazil's energy giant Petrobras: whereas its 2007–11 plan envisaged a doubling of investment in Africa, the current plan (2012–15) envisages 95% of total investment going to activities in Brazil, with a focus on the production of the so-called pre-salt reserves found on the Brazilian coast.¹⁹

While this certainly does not mean that Brazil will completely cease importing oil from Africa in the years to come, the trade balance is likely to shift in favour of Brazil when oil imports from Africa start to diminish. With Brazilian industrial production in need of resources, the share of other mineral and metallic raw materials such as steel, iron, cement etc. (currently less than 3% of Brazilian imports from Africa)²⁰ might increase in the future. However, they will not compensate for the reduction in oil imports. Brazil's economic dependence on Africa is thus likely to be reduced in the next decade.

Brazil's exports to Africa are more diversified than its imports, comprising many agricultural products (sugar, dairy, meat, cereals) but also manufactured and semi-manufactured goods (vehicles, vehicle parts). In fact, Africa has become a growing market for Brazil's processed products.

Investment focused on Lusophone Africa

Despite this growth in trade, Brazilian investment in Africa remains relatively limited.²¹ There are no precise data available, although estimates range between US\$10 billion and US\$20 billion.²² According to the Brazilian Fundação Dom Cabral, Africa currently ranks only fifth among Brazil's preferred investment regions. However, the continent is gaining interest among Brazilian companies, registering the third highest growth in Brazilian direct investment in 2010.²³

Interestingly, this investment pattern is not fully congruent with Brazil's major trade partners. Lusophone Africa is clearly the main destination for Brazilian direct investment in the region; its oil-rich trade partners in Northern Africa are of only minor importance in this regard. A common language and historical ties have facilitated heavy investment by Brazilian companies in Portuguese-speaking Angola and Mozambique.

In fact, Angola is Brazil's main destination for direct investment and franchising.²⁴ The former Portuguese colony has had a special relationship with Brazil since the first hours of its independence, as Brazil was the first country to officially recognize Angola as a sovereign state. Despite Brazil's anti-communist military dictatorship and close relations with Portugal, it took the opportunity to establish ties with Angola's communist MPLA movement. It was soon rewarded with the MPLA leader's personal invitation to Petrobras to invest in the newly independent state, and the company started operations there shortly after independence. Other big Brazilian companies, such

16 Genaro Arriagada Herrera (2006), 'Petropolitica in Latin America. A Review of Energy Policy and Regional Relations', Inter-American Dialogue: Andean Working Paper, December 2006; and Paul Isbell (2008), 'Energía y geopolítica en América Latina', in *Documento de Trabajo*, No.12/2008 (Madrid: Real Instituto Elcano).

17 Sennes and Narciso (2009), 'Brazil as an International Energy Player'.

18 In 2011 oil accounted for 85% of imports from Africa. Ministério de Relações Exteriores (MRE), Divisão de Inteligência Comercial (2012), 'África. Dados Básicos e Principais Indicadores Economico-Comerciais' [Brazilian Foreign Ministry/Economic Intelligence Division, 'Africa. Basic Data and Principal Economic and Commercial Indicators'], p. 11.

19 Petróleo Brasileiro S.A. – Petrobras (2006): 2007–2011 Business Plan, Rio de Janeiro. And: Petróleo Brasileiro S.A. – Petrobras (2011): 2012–2016 Business Plan, Rio de Janeiro, www.investidorpetrobras.com.br/en/business-plan/ (last accessed 17 September 2012).

20 MRE (2012), p. 10.

21 Roberto Magno Iglesias and Katarina Costa (2011), 'O investimento direto brasileiro na África', *Textos Cíndes* No. 27, December 2011, p.16.

22 See African Development Bank (2011), 'Brazil's Economic Engagement with Africa', p. 4; *Folha de São Paulo* (2011), 'Aumenta influência do Brasil na África', 14 December 2011.

23 Fundação Dom Cabral (2010), 'Ranking Transnacionais Brasileiras 2010. Repensando as Estratégias Globais', www.fdc.org.br (last accessed 17 September 2012).

24 Iglesias and Costa (2011), 'O investimento direto brasileiro na África'.

as the construction firm Odebrecht, soon followed suit. As they stayed in the country despite almost three decades of civil war (1975–2002), Brazilian companies were among the first to win contracts for the reconstruction of the country. Today, Brazil figures among the three most important and influential investor countries in Angola²⁵ and its footprint is still growing. Odebrecht has contributed significantly to rebuilding the infrastructure – from dams to housing and hospitals – in the war-ravaged country. Apart from construction, Odebrecht is also involved in the oil, biofuel, diamond and supermarket sector.²⁶ It is the biggest private employer in Angola and enjoys close relations with President José Eduardo dos Santos.²⁷ Furthermore the Brazilian private companies TV Globo and Record broadcast on Angola's television, attracting millions of Angolans to Brazilian culture with soap operas, sport and lifestyle programmes. Last but not least, Petrobras has significantly stepped up its activities by acquiring further exploration rights and increasing production.

In the wake of Brazil's multinationals, a large number of small and medium-sized businesses have come to Angola. Whereas the presence of the large companies is the most visible sign of its footprint in Angola, it is the growing number of small business that indicates Brazil's new interest in the country. Studies by the Brazilian Trade

Promotion and Investment Agency (APEX) and the decision by the agency to establish a regional APEX office in Luanda confirm an increasing interest among smaller companies in extending their business activities to Africa. The established presence of other Brazilian companies means that Angola has become an easy departure point for their internationalization plans. However, Mozambique too has seen an increase in Brazilian direct investment. Like Angola, it has historical and cultural ties that facilitate investment, and there is no language barrier.²⁸

Focus on resources and construction

As regards the preferred sectors of Brazilian investment in Africa, the picture is once again dominated by a classical pattern. As with other BRICS countries, Brazilian investment has so far been concentrated in the resource and construction sector. But this is again explained by the fact that the majority of Brazil's biggest companies – those that possess the necessary financial resources to invest internationally – are specialized in the areas of civil construction and resources (e.g. Odebrecht, Andrade Gutierrez, Petrobras, Vale).²⁹ It is important to note that their activities are not a recent trend but date back to the 1970s when the Brazilian military regime supported the internationalization of domestic companies as a means of securing resources and fostering the country's development.

Table 1: Brazil's big players in Africa

Company	Business sector	Presence in African countries
Odebrecht	Construction	Angola, Botswana, Congo, Djibuti, Gabon, Libya, Liberia, Mozambique, South Africa
Petrobras	Oil	Angola, Benin, Gabon, Libya, Namibia, Nigeria, Tanzania
Vale	Mining	Angola, Congo, Gabon, Guinea, Liberia, Malawi, Mozambique, South Africa, Zambia

Source: Company websites (last accessed 13 September 2012).

25 Júlia Vilas-Bôas (2011), 'Os investimentos brasileiros na África no governo Lula: Um mapa', *Meridiano 47*, Vol. 12, No. 128, November–December 2011, pp. 3–9.

26 João Fellet (2012), 'Com BNDES e negócios com políticos, Odebrecht ergue "império" em Angola', BBC Brasil, 18 September 2012.

27 Ibid.

28 Iglesias and Costa (2011), 'O investimento direto brasileiro na África'.

29 For a ranking of Brazil's biggest companies in 2012 see <http://exame.abril.com.br/negocios/empresas/melhores-e-maiores/ranking/2012/> (last accessed 24 August 2012).

Table 2: Africa credit lines granted by Brazil's Development Bank BNDES

Country	Credit volume (US\$)	Sector
South Africa	35m	<i>Transport</i> Buses, electronic payment systems for public transport
Mozambique	80m	<i>Construction</i> Engineering services and products for the construction of Nacala airport
Angola	3.2bn	<i>Construction</i> Streets, basic sanitation, housing, technological centres <i>Industry and agriculture</i> Machinery and technical equipment for the modernization of Angola's fire brigade; agricultural machinery

Source: BNDES, 2012.

As Africa is known for its vast potential in natural resources and its need for infrastructure, resources and civil construction have traditionally been the most prominent sectors for international investment. It is thus no surprise that Brazil's investment activities have so far been concentrated on these sectors. Especially when it comes to mining and drilling for oil, Brazilian companies also claim a natural advantage over their international competitors: as the two continents were united in a single landmass ('Gondwana') 200 million years ago, they have geological similarities.

An additional factor is that financing modalities in Brazil have so far privileged the big companies and thus contributed to the concentration of Brazilian firms in the above-mentioned sectors. Since the credit lines by the Brazilian Development Bank BNDES were designed to support Brazil's big players in their internationalization efforts, smaller companies, especially those affiliated with other branches (foods, beverages, clothing, etc.) have been more reluctant to invest in Africa because of a lack of funding.

It was not until 2007 that BNDES granted the first credit line to companies willing to invest in Africa. From its initial rather limited credit volume of US\$149 million, the bank has extended its grants, peaking at US\$766 million in 2009 before settling back to a total of US\$466 million in

2011.³⁰ In addition to state-financed lending, BTG Pactual, a leading Brazilian investment bank, has launched a US\$1 billion fund focused on investing in Africa in 2012.³¹

Construction and engineering top the list of business sectors privileged by BNDES lending schemes. However, the export of machinery and technical equipment is also growing in importance since the construction services of Brazilian companies often use Brazilian goods and products. Currently, BNDES credit lines benefit Brazilian companies investing in South Africa, Mozambique and Angola, with the last being granted the biggest credit volume, in line with Brazil's investment focus. Since 2007 four credit lines worth US\$3.2 billion were approved by BNDES and safeguarded by guarantees linked to Angola's growing oil industry;³² 49% of these credit lines have been dedicated to projects carried out by Odebrecht.³³

Competition with China

During the last decade, China's activities in Africa have further drawn international attention to the continent's natural resource potential and have led to competition for what is today considered the world's last resource frontier. Brazilian companies have joined in this new 'scramble for Africa' and have stepped up their activities, using their pre-existing presence in some African countries to extend their engagement and influence.

³⁰ Data provided to author by BNDES.

³¹ *Financial Times* (2012), 'BTG launches \$1bn Africa buyout fund', 3 May 2012.

³² Data provided to author by BNDES.

³³ Fellet (2012) 'Com BNDES e negócios com políticos'.

Brazilian companies such as Petrobras (oil sector) and Vale (mining) are actively competing with Chinese companies for exploration rights in Africa. Brazil may lack the financial resources to support its companies in Africa in the same way as China, but while it sees this as a comparative disadvantage, it can claim a cultural advantage. Although the Brazilian government has made a great effort to provide Brazilian companies with financial and political support in their competition for markets and influence in Africa, it sees 'cultural affinity' as the real trump card against more powerful Chinese state-backed companies.³⁴

Brazilian businessmen and government officials alike therefore stress their common cultural roots with Africa and maintain that, unlike China, they enjoy a common business culture. The fact that the majority of Brazil's population is of Afro-Brazilian origin – it has the world's largest black population after Nigeria – serves as a popular illustration of these cultural similarities.

Brazil is very keen to highlight the differences in its approach towards Africa and has not shied away from open criticism of its BRICS partner. On a journey to Tanzania, for example, President Lula referred to a mining project that the Brazilian mining giant Vale had lost to a Chinese company and declared openly: 'Nothing against my Chinese friends. Quite the contrary. China is a great partner for us and we want to maintain our strategic relationship. But the truth is that they sometimes win a mine and take only Chinese there to work, without generating any opportunity for the local workers.'³⁵

Stressing the benefits of their country's engagement in Africa, Brazilian officials therefore frequently refer to the employment and training that Brazilian firms provide for the local workforce. In Angola, Odebrecht is, as noted, already the biggest employer and Brazil maintains that its

approach towards Africa is generally focused on generating development and benefiting the local population. President Rousseff therefore has pledged that Brazilian companies willing to invest in Africa will leave a legacy to the local population by transferring technology, providing vocational training and offering social programmes.³⁶ Like her predecessor, she is convinced that the Brazilian approach ensuring benefits on both sides compares favourably with China's.

Brazil's bet on Africa's growing market

Despite the current focus on resources and construction, Brazilian business representatives maintain that Africa's biggest potential for their country lies in the export of machinery, technical equipment and construction materials, as well as food, beverages and agricultural products. Promising markets for Brazilian products are also seen for fashion, cosmetics and pharmaceuticals.³⁷

Here, a positive effect is attributed to China's Africa engagement: Brazil calculates that Chinese investment in Africa will boost incomes among the local population and eventually create a growing consumer market for food and processed goods. A representative of a Brazilian governmental institution confirmed this in 2007 by stating: 'China is going to Africa after mining, copper, iron, manganese as well as oil and gas. We [Brazil] are going after the vacuum left by them [...].'³⁸

Already, 42% of the goods that Brazil exports to Africa are manufactured products.³⁹ As the average share of manufactured goods in Brazil's total exports is only 36%, the African market ranks significantly above average in this regard. In fact, Africa is the export region with the third highest share of manufactured goods for Brazil, after Latin America and the United States. This makes Africa an

34 David Lewis (2011), 'In Africa, Can Brazil be the Anti-China?', Reuters Special Report, 23 February 2011.

35 "Nada contra os meus amigos chineses. Pelo contrário [a China], é um grande parceiro nosso e queremos manter nossa parceria estratégica. Mas a verdade é que, às vezes, eles ganham uma mina e trazem todos os chineses para trabalhar naquela mina. E fica sem gerar oportunidade para os trabalhadores do país", disse Lula.' See *Valor Econômico*, 'Avanço de chineses na África preocupa Brasil', 8 July 2010.

36 *Valor Econômico*, 'Dilma revê estratégia para a África', 8 November 2011.

37 See, for example, studies by Brazil's Trade Promotion Agency APEX (2010), 'Angola. Estudo de Oportunidades 2010', Brasília; APEX (2011), 'África do Sul. Perfil e Oportunidades Comerciais 2011', Brasília.

38 *Valor Econômico*, 25 April 2007, quotation from de Freitas, Narciso and Biancalana (2009), 'Brazil in Africa: Another Emerging Power in the Continent?'

39 MRE (2012), p. 9; semi-manufactured goods account for a further 27% of its exports to the continent.

interesting market as the Brazilian economy endeavours to step up its manufactured exports and diversify away from the export of simple raw materials.

Brazil sees a special potential in the African market when it comes to technological products. Industry representatives and officials from the governmental export promotion agency maintain that Brazilian technology has a special comparative advantage *vis-à-vis* products from high-technology countries, as it is adaptable to tropical conditions ('tropicalized technology').⁴⁰ By presenting its products in African fairs, Brazilian industry hopes to further increase its exports to a growing African market.

Brazilian companies eager to exploit this potential usually sail in the wake of the big Brazilian companies already established in Africa, thereby taking advantage of their presence and knowledge of the market. The Brazilian Ministry of Development, Industry and Foreign Trade calculates that every investment by a large-scale Brazilian company provides for the establishment of around 10 small or medium-sized firms that act as suppliers or subcontractors for the bigger companies or seize opportunities to sell Brazilian consumer products.

More driven by government than by the market

Although Brazil has already enhanced its trade links with Africa, its real economic interest in Africa is only just awakening. The intensification of economic ties, particularly trade, over the past decade was driven by government initiatives during the left-wing Lula administration rather than by Brazilian business itself.⁴¹

President Lula had declared Africa a priority for his government in 2003 and set out to deepen relations at all levels. Under his predecessor, Fernando Cardoso (1995–2002), the government had concentrated on

relations with Brazil's most important trade partners, the United States and the EU, without being able to assert the country's economic and political interests against these powerful players. The new government set out to reduce Brazil's dependence on the industrialized countries by forging ties with the developing world.⁴² At first, Lula's efforts to establish a 'new trade geography of the South' were dismissed as an ideological project and economic nonsense by Brazil's economic elite.

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As the country's economic relations had traditionally been directed towards the big markets of the industrialized countries, trade routes with the developing world were either non-existent or very expensive. Business associations therefore accused the Lula government of ignoring the economic realities and neglecting Brazil's dependence on the consumer markets in Europe and the United States. Furthermore, at that time, Brazilian businesses saw little economic potential in a poor and crisis-prone continent. Their reservations were based on a mixture of prejudice and bad experiences in the past, when African countries had not been able to pay their bills for Brazilian imports, and Brazilian investors were affected by civil wars.⁴³

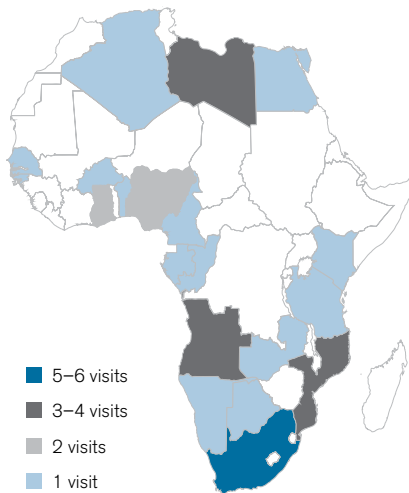
40 Interview with the Câmara de Comércio Afro-Brasileira (AfroChamber), São Paulo, May 2012.

41 Interviewees at the Brazilian National Federation of Industry CNI (Confederação Nacional de Indústria) and the Brazilian Development Bank BNDES (Banco Nacional do Desenvolvimento) in June 2012 commonly expressed this view.

42 It should be noted that Lula was not the first Brazilian president to forge ties with Africa. Already at the beginning of the 1960s the then military dictatorship established relations with African countries. However, in the 1980s and 1990s, owing to economic problems and a shift in foreign policy, the Brazilian focus on Africa declined. For a good overview of the history of Brazil–Africa relations see José Flávio Sombra Saraiva (2012), *África parceiro do Brasil atlântico. Relações internacionais do Brasil e da África no início do século XXI*, Chapter 1 (pp. 25–50) (Belo Horizonte: Editora Fino Traço).

43 Interview at the Brazilian National Confederation of Industry (CNI) in Brasília, June 2012.

Figure 3: Brazilian presidential visits to Africa



Source: MRE (2011), 'Relatório de visitas internacionais do Presidente Luiz Inácio Lula da Silva e de visitas ao Brasil de Chefes de Estado e de Chefes de Governo entre janeiro 2003 e dezembro de 2010' [Brazilian Foreign Ministry, 'Report on the international visits of President Luiz Inácio Lula da Silva and visits of Heads of State or Heads of Government to Brazil between January 2003 and December 2010'].

Despite these concerns, the Lula administration paved the way for an intensification of both political and commercial ties with Africa. Against severe criticism by the opposition, Lula promoted the continent as an under-explored opportunity for Brazilian business and actively encouraged Brazilian companies to engage with Africa. From the start, he invited Brazilian businessmen to accompany him on his visits and to take advantage of the political contacts forged with African countries. To support their internationalization efforts in developing regions, a special trade promotion strategy was devised;⁴⁴ in cooperation with APEX, founded in the first year of his administration, the government organized gatherings of Brazilian and African businessmen and actively supported the participation of Brazilian firms in African fairs to promote their products.

Criticism of President Lula's courtship of Africa eased with the growing commercial exchange. Today Africa's economic potential is widely acknowledged among Brazilian business circles, especially at a time of economic recession in the industrialized countries.⁴⁵ It is perceived as the last economic frontier to be explored, and Africa initiatives have gained momentum in Brazil's foreign trade strategy. Under President Rousseff, Brazil has even devised a special Africa strategy to gain markets there.⁴⁶

Going beyond commercial interests

Brazil's profile in Africa, however, is not only shaped by its business activities. In fact, the economic engagement of Brazilian enterprises is only one aspect of Brazil's footprint. President Lula's Africa strategy went far beyond commercial interests. Whereas his personal commitment to the intensification of relations with Africa has undoubtedly generated economic benefits for Brazil, his South-South cooperation strategy *vis-à-vis* Africa was driven rather by foreign policy ambitions than by economic calculations.⁴⁷ As an emerging power striving to win a seat at the United Nations Security Council, Brazil has turned engagement in Africa into a centrepiece of its strategy to gain support for this ambition.⁴⁸

Brazil has positioned itself *vis-à-vis* Africa as a partner for development, rather than a business partner. Having only recently joined the club of economic powers, Brazil has presented itself as a 'rising power of the South' familiar with the development challenges faced by African countries. Strengthening its discourse on Southern solidarity, it has provided so-called South-South cooperation projects that are based on its own development experiences.⁴⁹

In contrast to classical development cooperation provided by rich countries (North-South cooperation), South-South cooperation is conceptualized as a 'horizontal

44 *Carta Capital* (2008), 'O vendedor do Brasil', 25 June 2008.

45 Stuart Grudgings (2011), 'As rich world sputters, Brazil looks to Africa', Reuters Business and Financial News, 17 November.

46 *Valor Econômico* (2011), 'País elabora estratégia para se tornar mais competitivo na África, 08.11.2011'.

47 Cepal Workshop on South-South Cooperation, Brasília, 30.03.2010. Summary (in Portuguese) under: http://www.cepal.org/brasil/noticias/paginas/2/38422/Cooperacao%20C3%A7%C3%A3o_SUL-SUL.pdf (last accessed 19 September 2012).

48 Danilo Marcondes de Souza Neto (2011), 'Brazil and Africa: Challenges and Opportunities', *Africa Quarterly*, Vol. 51, No. 3-4, p. 76-86.

49 Bruno Ayllón Pino and Iara Costa Leite (2010), 'La cooperación Sur-Sur de Brasil: Instrumento de política exterior y/o manifestación de solidaridad internacional?', *Mural Internacional*, Vol. 1, No. 1 (January/June).

partnership' between countries that share common problems and development challenges. Having been a recipient of development aid for decades, Brazil claims that it has a better understanding of the needs and sensitivities of recipient countries. It stresses that its cooperation projects are fundamentally different from those formulated in an industrialized country, being based on expertise generated and implemented within a developing-country context.⁵⁰

Historical cultural ties between Brazil and Africa further facilitate cooperation and enhance the applicability of these development projects. Operating largely free of a legacy of colonialism, Brazil maintains that its cooperation is motivated by a feeling of solidarity with its African partners. However, former president Lula also framed South–South cooperation with Africa as a moral obligation to 'give something back' to the African people that 'helped to build Brazil'.⁵¹ Apologizing for centuries of slavery, he frequently declared that Brazil owed a moral debt to Africa.⁵² As a country that has overcome key problems of development by finding innovative solutions, Brazil has offered African countries its know-how in a range of relevant policy fields. Especially in the area of poverty reduction, energy and health, Brazil has shown significant commitment by transferring technical expertise and offering cooperation projects.

Key to Brazil's South–South cooperation projects with Africa have been two state-financed research institutions: the biomedical research and public health institute Fiocruz (Oswaldo Cruz Foundation) and the Agricultural Research Institute Embrapa (Empresa Brasileira de Pesquisa Agropecuária). The former made crucial contributions

to Brazil's success in tropical agriculture and the latter to combating and preventing tropical diseases. Both have received worldwide acclaim.⁵³ Capitalizing on this broad international recognition, the Lula government turned both institutions into foreign policy instruments, encouraging them to start activities abroad⁵⁴ and selling them as showpieces of Brazil's successful development.

Brazil as a partner in Africa's fight against hunger and poverty

Poverty reduction and the alleviation of hunger were priorities of Brazil's Lula administration for both domestic and foreign policy.⁵⁵ The president, raised in conditions of poverty himself, declared the fight against poverty a leading topic for his presidency after coming to power in 2003. His programmes to alleviate hunger and poverty soon delivered results and enabled the country to achieve the Millennium Development Goals for poverty and hunger five years ahead of schedule.

Convinced that 'hunger is the real mass destruction weapon',⁵⁶ Lula also put the fight against poverty at the top of his foreign policy agenda. In his first year in office he proposed a global hunger fund to the world's leading economies at the G8 Summit in France and promoted the alleviation of poverty as one of the most pressing security problems of the 21st century.⁵⁷

Making Africa the test case for its commitment to fight poverty, Brazil has implemented a great variety of projects to foster African development. Actions are based on its own experiences in the fight against poverty⁵⁸ and

50 Sean Burges (2012), 'Developing from the South: South-South Cooperation in the Global Development Game', Austral. *Brazilian Journal of Strategy & International Relations*, Vol. 1, No. 2, July-December, pp. 225–49.

51 BBC (2010), 'Brazil's Lula pays tribute for Africa's historic role', 4 July, <http://www.bbc.co.uk/news/10500100> (last accessed 31 October 2012).

52 BBC (2005), 'Brazil's Lula "sorry" for slavery', 14 April, <http://news.bbc.co.uk/2/hi/americas/4446647.stm> (last accessed 31 October 2012).

53 In 2006 two Embrapa scientists were awarded the World Food Prize for 'one of the greatest achievements of agricultural science in the 20th century'. See <http://www.worldfoodprize.org/en/press/news/index.cfm?action=display&newsID=808> (last accessed 16 October 2012). See also *The Economist* (2010), 'The miracle of the Cerrado', 26 August. Fiocruz was nominated the 'best public health institution in the world' by the World Federation of Public Health Associations in 2006. See http://www.fiocruz.br/~ccs/novidades/news/fiocruz_thebestp.htm (last accessed 16 October 2012).

54 Under the Lula administration, both Embrapa and Fiocruz established special international relations departments and opened branch offices in Africa.

55 Luiz Inacio Lula da Silva (2011): 'Our battle to end hunger', *Guardian*, 19 June 2011.

56 Cited by Brazil's Minister of Foreign Affairs Celso Amorim (2010), in 'Brazilian–African Talks on Food Safety, Hunger Alleviation and Rural Development', in Agencia Brasileira de Cooperação (ed.), *Brazilian–African Talks on Food Safety, Hunger Alleviation and Rural Development*, Brasília, p. 94.

57 BBC (2003), 'Lula proposes hunger fund', 6 February 2003. <http://news.bbc.co.uk/2/hi/americas/2954990.stm> (last accessed 26 October 2012).

58 Between 2003 and 2010 Brazil managed to lift 32 million people out of poverty. It has been internationally recognized for its success in poverty reduction and social promotion programmes, and promoted by Global institutions such as the World Bank and the United Nations as a model for successful poverty reduction. See for example OECD (2010), *Tackling Inequalities in Brazil, China, India and South Africa. The Role of Labour Market and Social Policies*.

comprise assistance in the development of the continent's agricultural sector as well as the implementation of social programmes.

As the leading power in tropical agriculture and third largest food exporter in the world,⁵⁹ Brazil has positioned itself as an important partner in Africa's quest for food security. Since the 1960s, the continent has transformed itself from a net food exporter to a net importer and its population growth rate has outstripped its annual increase in food production.⁶⁰ Brazil has gone in the opposite direction, developing from a net food importer in the 1970s to an agricultural superpower.⁶¹ As a tropical country with similar climatic and geological conditions to those of a great part of sub-Saharan Africa, Brazil has found it easier to adapt its agricultural expertise and technology to the African context than traditional agricultural powers such as the United States or the European Union.⁶²

Since the opening of the first Africa office of the Agricultural Research Institute Embrapa in Ghana in 2008, Brazil has presented itself to Africa as a provider of technical assistance in tropical agriculture. It offers its African partners free transfer of know-how in techniques for improving the soil, adapting seeds and strengthening crop resistance to drought and pests. Today, Embrapa is implementing agricultural cooperation projects in 15 African countries, ranging from the support of horticulture in Senegal and the improvement of cashew nut post-harvest technologies in Tanzania to technical cooperation on native seed rescue, production and breeding in family-based agriculture in Namibia.⁶³

Figure 4: Brazilian agriculture projects in Africa



Source: Embrapa/Ministério da Agricultura, Pecuária e Abastecimento [Embrapa/Brazilian Ministry of Agriculture, Livestock and Supply] (2011), *Africa. Continent of Opportunities*, Brasília.

Embrapa's showcase projects include a model cotton farm in Mali that aims to increase productivity and quality in production in the 'Cotton-4' countries (Benin, Burkina Faso, Chad and Mali), as well as an experimental rice farm in Senegal that trains technicians from Senegal, Guinea-Bissau and Mauritania in rice production and processing technologies. The Africa-Brazil Agricultural Innovation Marketplace, launched by Brazil in 2010, has established a platform to link professionals from African institutions with Embrapa research centres; it currently has ten cooperation projects in seven African countries.

Brazil also supports African family farming. Based on its successful experiences with the 'More Food Programme'⁶⁴

59 See WTO International Trade Statistics 2011, 'Leading exporters and importers of food 2010', Table II.20, http://www.wto.org/english/res_e/statis_e/its2011_e/its11_merch_trade_product_e.htm.

60 Simon Freemantle and Jeremy Stevens (2010), 'Brazil Weds Itself to Africa's Latent Agricultural Potential', Standard Bank Economics, *BRIC and Africa*, 1 February 2010, p. 2; and Manitra A. Rakotoarisoa, Massimo Iafrate and Marianna Paschali (2011), 'Why has Africa become a net food importer?', FAO Trade and Markets Division, Rome.

61 Geraldo Barros (2008), 'Brazil. The Challenges in becoming an Agricultural Superpower', in Brinard and Martinez-Diaz (eds), *Brazil as an Economic Superpower?*.

62 World Bank/IPEA (2011), *Bridging the Atlantic*, pp. 50–51.

63 For a full overview of Brazilian agricultural projects in África, see Agência Brasileira de Cooperação (ABC) (2010), *A Cooperação Técnica do Brasil para a África*, Brasília.

64 Between 2008 and 2010 alone, Brazilian family farmers increased their productivity per area by 89% and their income by 30%. Caio França et al. (2009), 'O censo agropecuário 2006 e a agricultura familiar no Brasil', Ministério do Desenvolvimento Agrário (MDA) [Ministry of Agricultural Development], Brasília. For a good overview of the More Food for Africa Programme see Thomas Cooper Patriota and Francesco Maria Pierri (2012), 'Brazil's Cooperation for Agriculture Development and Food Security in Africa: Assessing the Technology, Finance, and Knowledge Platforms', in Fantu Cheru and Renu Modi (eds), *Agricultural Development and Food Security in Africa: The Impact of Chinese, Indian and Brazilian Investments* (London: Zed Books).

and the demands voiced by African ministers of agriculture participating in the Brazil–Africa Dialogue on Food Security, Fight against Hunger and Rural Development,⁶⁵ it has designed a project line especially to support local food production by family farmers in Africa. The ‘More Food for Africa Programme’, which will be implemented in cooperation with the Food and Agriculture Organization (FAO) and the World Food Programme (WFP), supports African family farmers across the value chain, offering special credit lines for the purchase of agricultural machinery and insurance against harvest losses. It is linked to food purchase or national school feeding schemes and other public procurement programmes that guarantee family farmers secure market access.⁶⁶

Although Brazil’s main focus in supporting Africa’s fight against hunger has been on helping the continent to boost its agricultural sector, it has also provided assistance in other anti-poverty measures. Having lifted more than 30 million people out of poverty in less than a decade, Brazil is seen as a model for effective social programmes.⁶⁷ African countries have shown interest in cash transfer programmes such as the successful ‘Zero Hunger Programme’ and especially the ‘Bolsa Familia’ scheme.⁶⁸ Since 2005 Brazil has offered to provide technical support to African governments interested in implementing cash transfer programmes, arranging study tours and visits to the Ministry of Social Development and Hunger Alleviation, which is in charge of the programme.⁶⁹ Representatives from Ghana, Guinea Bissau, Mozambique, Nigeria, South Africa and Zambia have been invited to Brazil to learn from the experiences with the ‘Bolsa Familia’ programme and gain insights into the design, implementation and management of this social scheme.

In addition, in 2008 Brazil launched the Africa–Brazil Cooperation Programme on Social Development to provide a more systematic coordination of cooperation programmes with African countries. The previous year, it had already provided Ghana with technical assistance in the design of a pilot social grants programme. Currently, a pilot project on the implementation of the ‘Bolsa Familia’ programme is under negotiation with Benin.⁷⁰

Through its efforts in transferring its technical expertise in poverty alleviation measures Brazil has become an important partner in Africa’s fight against hunger and poverty. The region’s appreciation of its commitment was demonstrated by the invitation to Brazil to join the African Union’s regional conference of African Ministers of Social Development in October 2008 as the only non-African country.

Brazil as provider of health development assistance

Brazil has also dedicated itself to another key challenge for Africa. Having included the right to health in its constitution, it has put great emphasis on health development assistance in its South–South cooperation with Africa. Indeed, all of President Lula’s 12 journeys to the continent had a health component.⁷¹ In total, Brazil has signed 53 bilateral agreements on health topics with 22 African countries.

A clear focus of Brazil’s health diplomacy towards Africa has been the fight against HIV/AIDS. Having dramatically reduced AIDS-related mortality and morbidity, Brazil has won international recognition for its highly successful AIDS programme.⁷² It has effectively implemented HIV education and prevention campaigns (including nationwide condom distribution and HIV testing) and

65 This dialogue convened more than 40 African ministers in Brasília on 10–12 May 2010.

66 Cooper Patriota and Pierri (2012), ‘Brazil’s Cooperation for Agriculture Development and Food Security in Africa’.

67 World Bank (2012), ‘Bolsa Familia: Changing the Lives of Millions in Brazil’, in World Bank News & Broadcast, <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:21447054~pagePK:64257043~piPK:437376~theSitePK:4607,00.html> (last accessed 5 September 2012).

68 José Graziano da Silva, Mauro Eduardo del Grossi and Caio Galvão de França (2012), ‘Fome Zero (Programa Hambre Zero). La Experiencia Brasileña’, FAO/ Ministerio de Desarrollo Agrario del Brasil, Brasília.

69 Ibid.

70 ABC (2010), *A Cooperação Técnica do Brasil para a África*, Brasília.

71 World Bank/IPEA (2011), *Bridging the Atlantic*, p. 67.

72 BBC (2003) ‘Brazil’s pioneering Aids programme’, 14 July 2003, <http://news.bbc.co.uk/2/hi/americas/3065397.stm> (accessed 26 October 2012).

Table 3: Brazil's health projects with Africa

Topic	Partner countries
Malaria	Angola, Cape Verde, Cameroon, Congo, Guinea-Bissau, São Tomé and Príncipe
HIV/AIDS	Botswana, Burkina Faso, Congo, Ghana, Liberia, Mozambique, Kenya, Sierra Leone, (South Africa), Tanzania, Zambia
Sickle cell anaemia	Angola, Benin, Ghana, Senegal
Other <i>Tuberculosis, cancer, oral health, community-based therapy, primary health care, cardiac and paediatric surgical procedures, prenatal and neonatal care</i>	Cape Verde, Angola, Algeria, Mozambique, São Tomé and Príncipe, Sierra Leone

Source: ABC (2010), *A Cooperação Técnica do Brasil para a África*, [Brazilian Technical Cooperation with Africa], Brasília.

provides free universal access to AIDS treatment with antiretroviral drugs for people affected by HIV.⁷³ Its experience in designing and implementing an efficient AIDS programme as an indebted middle-income country is therefore of great interest to Africa, the continent most afflicted by the AIDS pandemic.

Against this background, President Lula pledged to assist Africa in its fight against the deadly disease. Since the revitalization of Brazil–Africa relations in 2003, AIDS has been among the key topics of their South–South cooperation. Brazil has carried out AIDS projects with Botswana, Burkina Faso, Congo, Ghana, Liberia, Mozambique, Kenya, Sierra Leone, Tanzania and Zambia.⁷⁴ It supports these African countries in formulating multidisciplinary responses to HIV/AIDS. Measures include capacity-building in the field of prevention, care and treatment, as well as logistic and supply-chain management for medicine distribution. Brazil also shares its experience on ways of mobilizing NGOs and strengthening the participation of the private sector in national HIV/AIDS prevention and treatment programmes.

Brazil's showcase project in its commitment to Africa's fight against HIV/AIDS is a factory for antiretroviral drugs in Mozambique. Indeed, the construction of the plant to produce generic drugs is the most ambitious and most

expensive South–South cooperation project ever launched by Brazil.⁷⁵ Announced during a visit by President Lula to Mozambique in 2003, it was meant to be officially inaugurated in 2010 but suffered various delays, while investment costs soared from the expected US\$23 million to around US\$100 million. The plant finally started operations in mid-2012 and is set to produce 21 types of medicines to fight HIV/AIDS. Initially, it will produce drugs to meet the demand in Mozambique only. However, production is set to expand in the next few years to supply all of sub-Saharan Africa.⁷⁶

Brazil is providing further capacity-building measures to enable production of the generic drugs to be taken over by Mozambican technicians. They are being trained by Fiocruz, which is responsible for the pharmaceutical production process at the plant. Brazil's National Sanitary Surveillance Agency (ANVISA) and the Brazilian Ministry of Health are also supporting Mozambique in establishing a drug regulatory authority to control the safety, quality and price of these pharmaceuticals.

In another flagship project on AIDS, Brazil developed an Awareness and Prevention Campaign with South Africa during the FIFA World Cup in 2010. This first joint effort, based on Brazil's experiences with prevention campaigns during Carnival, included the distribution of

73 Amy Nunn et al. (2009), 'AIDS Treatment in Brazil: Impacts and Challenges', in *Health Affairs*, July/August 2009, 28:4, ProQuest, pp.1103–13.

74 ABC (2010), *A Cooperação Técnica do Brasil para a África*.

75 Paulo Sotero (2009), 'Brazil as an Emerging Donor. Huge Potential and Growing Pains', *Development Outreach*, Vol. 11, No. 1, pp. 18–20.

76 ABC(2012), 'Brazil to open factory to produce AIDS medicines in Africa, 13 July 2012. http://www.abc.gov.br/ABC_Eng/webforms/interna.aspx?secao_id=37&s=CTI-News-&c=Brazil-to-open-factory-to-produce-AIDS-medicines-in-Africa&campo=423 (accessed 26 October 2012).

30,000 condoms and leaflets about the prevention of HIV/AIDS and other sexually transmitted diseases in fan parks and public viewing areas.⁷⁷

Brazil has also been active in the fight against other diseases in Africa, including malaria. In Ghana, it is establishing a centre on haemophilia and sickle cell anaemia that will be dedicated not only to treatment but also to research and training. The centre is one of Brazil's large health-related projects and will be open to other countries in the region.⁷⁸

In the effort to intensify South–South cooperation on health, Fiocruz opened its first regional Africa office in Mozambique in 2008. The office aims to coordinate, monitor and evaluate the growing number of Brazilian health projects in Africa and offers training and courses to African professionals in different health-related areas. A particular aim of the Fiocruz office in Maputo is to provide partner countries of the Community of Portuguese Speaking Countries with assistance to strengthen their health systems and establish national institutes of health.⁷⁹ Aiming at the exchange of knowledge on neglected tropical diseases, Brazil has also set up the Africa-Brazil Health Research Network. Launched in May 2010, this will develop a framework for cooperation between Brazilian and African researchers and foster further research and cooperation projects on tropical diseases.⁸⁰

Brazil as a partner in Africa's quest for energy security

Despite its vast energy resources, Africa has a significant lack of energy generation capacity. According to African Development Bank data, the entire installed generation capacity of 48 sub-Saharan African countries is no more

than that of Spain. Moreover, around 90% of the rural population have no access to modern energy.⁸¹

Recognizing energy scarcity as one of the main obstacles to African development, Brazil has offered African partner countries its expertise on a variety of energy-related topics ranging from the production of renewable and non-renewable energy to public policies that aim to extend energy access to poor and remote areas. In this context, Brazil has signalled its willingness to transfer its 'Luz para Todos' [Light for All] Programme to Africa.⁸² This programme has sought to assure access to electricity to homes and businesses in Brazil's poor rural areas. It has provided access for almost three million rural families since its launch in 2003, and is considered to be the biggest and most ambitious electric inclusion programme in the world. In recognition of its contribution to poverty reduction in rural communities by facilitating the integration of health, water supply and sanitation services through the provision of electricity, the UN refers to this programme as a model for rural electrification.⁸³ In May 2012 Brazil signed a cooperation agreement with Mozambique to help the country implement the Light for All Programme. Technical cooperation programmes based on Brazil's experience have also been established with South Africa, Angola, Burkina Faso, Cameroon, Nigeria, Kenya and Zambia.⁸⁴

Brazil's effort in supporting African countries to attain energy security is not limited to the provision of access to electricity. Having attained energy independence itself in 2006, it is also supporting African partners seeking to reduce their dependence on expensive oil imports. Through the development of special technology (biofuel and deepwater drilling), Brazil transformed itself from a

77 Brazilian Embassy South Africa (2010), 'Brazil and South Africa join efforts on HIV/AIDS prevention during World Cup', Pretoria, http://www.brasil.gov.br/para/press/press-releases/june/brazil-and-south-africa-join-efforts-on-hiv-aids-prevention-during-world-cup/br_model1?set_language=en.

78 ABC (2010), *A Cooperação Técnica do Brasil para a África*, p. 68.

79 Fiocruz Africa, <http://www.fiocruz.br/cgi/cgilua.exe/sys/start.htm?infoid=4496&sid=10> (last accessed 7 September 2012).

80 African Development Bank (2011), 'Brazil's Economic Engagement with Africa', p. 10.

81 Donald Kaberuka, President of the African Development Bank Group, in FIESP/Electrobras/African Development Bank (2011), *Energy Markets in Africa*, São Paulo, p. 5.

82 *Valor Econômico* (2012), 'Brasil exporta programa, Luz para Todos', 8 May 2012.

83 UN Global Compact (2011), 'A Global Compact for Sustainable Energy. A Framework for Business Action', http://www.unglobalcompact.org/docs/publications/A_Global_Compact_for_Sustainable_Energy.pdf (last accessed 10 September 2012).

84 Government of Brazil (2012), 'Programa Luz para Todos', <http://www.brasil.gov.br/energia-es/programa-luz-para-todos> (last accessed 10 September 2012).

net energy importer to a net energy exporter. This impressive achievement has aroused interest among African states seeking to follow the Brazilian example. In view of soaring global energy prices, energy-importing countries without fossil fuel resources have shown particular interest in Brazil's energy expertise.

By offering oil-importing African countries free transfer of its biofuels technology, Brazil has positioned itself as an interesting partner for those striving for energy independence

Brazil has offered to transfer its energy technology to interested African states through South–South cooperation projects. At the forefront of this energy cooperation has been its initiative on biofuels production. Brazil is the world's biggest exporter of sugar-cane-based ethanol and meets about half of its fuel demand with biofuels.⁸⁵ The country's efficient biofuel sector, based on the 'ProAlcool' programme initiated under the military dictatorship in the 1970s and relaunched under the Lula administration in 2003, has enabled it to significantly reduce its dependence on oil imports⁸⁶ and has provided growing export revenues. President Lula therefore promoted his country's experience in the production of biofuels as a development model for resource-poor African states.⁸⁷

By offering oil-importing African countries free transfer of its biofuels technology, Brazil has positioned itself as

an interesting partner for those striving for energy independence. Inviting African countries to 'join the biofuels revolution',⁸⁸ it has launched various initiatives to share its expertise on the production and use of renewable fuels. Among those are the 'Structured Programme for Support to Other Developing Countries in the Area of Renewable Energy' (Pro-Renova), a memorandum of understanding with the West African Economic and Monetary Union for cooperation on biofuels,⁸⁹ and biofuel technology transfer in the framework of the IBSA Dialogue Forum with South Africa and India.⁹⁰

Spearheaded by the Africa office of Embrapa, Brazil has also forged a great number of bilateral biofuel cooperation agreements with African countries. South–South cooperation accords on biofuels production exist with Angola, the Democratic Republic of the Congo, Ghana, Kenya, Mozambique, Nigeria, Senegal, Sudan, Uganda and Zambia. By providing technology transfer and training, Brazil assists these countries in developing their own biofuel industries and reducing their dependence on oil. However, its biofuel cooperation has not been limited to oil-importing African countries. Large oil exporters such as Nigeria and Angola have also shown interest in its expertise, seeing it as an instrument for diversifying energy sources on the local market and creating jobs in rural areas. In Nigeria, for example, plans to build a 'Biofuel Town' composed of rural migrants who are trained to become biofuel producers were announced in 2007 by a consortium of Brazilian and Nigerian research organizations and private companies.⁹¹ With Angola, Brazil has set up a joint venture called the Bioenergy Company of Angola (BIOCOM). The plant will produce 30 million litres of ethanol and 250 tons of sugar per year, predominantly supplying Angola's domestic

85 *El País* (2006), 'Brasil, vanguardia verde', 28 September 2006; US Energy Information Administration (2012), *Country Analysis Briefs. Brazil*, 28 February 2012.

86 Luiz Inácio Lula da Silva (2006), 'Join Brazil in planting oil', *Guardian*, 7 March 2006.

87 BBC Brasil (2006), 'Tecnologia brasileira pode beneficiar a África, diz Lula', 30 November 2006, http://www.bbc.co.uk/portuguese/reporterbbc/story/2006/11/061130_Julaafricacoletivarwdt.shtml (last accessed 26 October 2012).

88 Reuters (2007), 'Brazil urges Africa to join "biofuel revolution"', 16 October 2007, <http://uk.reuters.com/article/2007/10/16/environment-brazil-africa-dc-idUKL1638910920071016> (last accessed 26 October 2012).

89 FIESP/Electrobras/African Development Bank (2011), *Energy Markets in Africa*, p. 132.

90 African Development Bank (2011), 'Brazil's Economic Engagement with Africa', p. 10.

91 Freemantle and Stevens (2010), 'Brazil Weds Itself to Africa's Latent Agricultural Potential', p. 6.

Table 4: Brazilian energy cooperation with Africa

Type of energy cooperation	Countries
Rural electrification programme	Angola, Burkina Faso, Cameroon, Mozambique, Nigeria, Kenya, South Africa, Zambia
Transfer of biofuel technology	Angola, Ghana, Kenya, Mozambique, Nigeria, Republic of Congo, Senegal, Sudan, Uganda, Zambia
Deepwater oil exploration	Angola, Benin, Gabon, Libya, Namibia, Nigeria, Tanzania.

Source: Author's compilation based on data by ABC, Brazilian Ministry of Mining and Energy, Petrobras and Brazilian media articles.

market.⁹² Other countries are set to explore the potential for becoming energy exporters through the development of a biofuel industry. Ghana, which has developed a biofuel sector with the help of Embrapa, will host a sugar-cane plantation financed by Brazil that is expected to produce ethanol for both domestic supply and export. In fact, ethanol is expected to become the country's fourth major export after cocoa, gold and timber.⁹³ Using Brazilian technology, oil-rich Sudan has already become an exporter of ethanol. In 2010 it exported 15 million litres of ethanol to Europe, diversifying its range of exports and creating new sources of revenue.⁹⁴

While focusing its energy cooperation projects with Africa primarily on renewable energy, Brazil has also pledged to assist African partner countries in the exploration of oil reserves. It has raised hopes in West African countries of replicating the Brazilian discoveries on the African Atlantic coast, given the geological similarities.⁹⁵ Petrobras has thus concentrated its Africa activities on the west coast of the continent, exploring deep and ultra-deep waters using the specialized technology that enabled the Brazilian discoveries.

Conclusion: Brazil's profile in Africa

During the last decade Brazil has actively forged closer relations with Africa and has become a major player on the continent, competing with China and India for

influence and trade deals. Like its BRICS partners, its economic engagement has been predominantly concentrated in the resource and construction sector. While trade ties between Brazil and Africa have become more intensive in general, trade with resource-rich African countries in particular has been on the rise. In fact, Brazil's biggest trade partners are all resource-rich countries.

Yet, although this pattern of economic engagement seems to indicate clear resource interests, Brazil's profile in Africa is more complex. Brazil has been involved in the exploitation of African commodities since Petrobras' first investment in the 1970s. Activities have intensified during the last decade with soaring prices for oil and other natural resources and the growing internationalization of Brazilian commodity firms. However, being a major exporter of natural resources itself, Brazil is not coming to Africa for resources. Commercially, its long-term interest lies in Africa's growing consumer market. The dynamic growth of African economies despite the global economic and financial crisis⁹⁶ has led Brazil to look to the continent as a promising market for its goods and services, especially manufactured or semi-manufactured products, as it can offer 'tropicalized technology' to meet the demands of developing countries.

⁹² Ibid.

⁹³ African Development Bank (2011), *Brazil's Economic Engagement with Africa*, p. 3.

⁹⁴ FIESP/Electrobras/African Development Bank (2011), *Energy Markets in Africa*, p. 132.

⁹⁵ See Petrobras Global Activities, <http://www.petrobras.com/en/about-us/global-presence/> (last accessed 11 September 2012).

⁹⁶ International Monetary Fund (2012), 'Regional Economic Outlook: Sub-Saharan Africa Maintains Growth in an Uncertain World', 12 October 2012, <http://www.imf.org/external/pubs/ft/survey/so/2012/CAR101212B.htm> (last accessed 26 October 2012).

However, Brazil's engagement in Africa goes beyond the economic realm. Its profile in Africa has been significantly shaped by its commitment to Africa's development challenges. Building on its own successful development experiences, Brazil has pledged to assist African partner countries in their efforts to fight hunger and poverty, provide healthcare and attain energy security. By transferring its experience and technical know-how in the implementation of social promotion programmes, Brazil has presented itself as a partner for the continent's social and economic development and has tried to gather support for its pursuit of a seat at the United Nations Security Council. While Brazil's strategy of South–South cooperation has contributed to its growing economic foothold in Africa and has been used as a trump card in the competition with China, the benefit of Brazil's Africa policy goes far beyond pure economic profit. By providing technical assistance, Brazil has raised its profile as a leading power of the South and 'champion of development nations'.⁹⁷ By underpinning its quest for a 'new multilateralism of the South' with cooperation projects in Africa, Brazil has gained credibility among developing nations and an international voice as a speaker on their behalf.

Forging ties with African countries through the provision of development assistance has enhanced Brazil's bargaining power and international status. Whereas the benefits in terms of support for its campaign to gain a seat at the UNSC remain uncertain,⁹⁸ Brazil has profited from its Africa engagement in an indirect way. By engaging in a foreign continent and offering development assistance, this Latin American country has achieved an impressive role change. Associated until recently with a broad range of economic and social challenges itself, it has transformed itself into a model for successful development. Through

its Africa engagement, Brazil has discarded its status as an aid-receiving developing country and joined the prestigious club of donor countries. Furthermore, by offering technical assistance to African countries, it can demonstrate its willingness and ability to make a contribution to the solution of global problems. By embracing key global issues such as poverty, health and energy and exercising leadership on these development and security challenges of the 21st century, Brazil has become increasingly recognized at the top tables of decision-making in international relations.⁹⁹

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Brazil's Africa engagement should thus not be seen as a pure economic strategy and even less as a simple policy to secure resources. Its involvement and growing presence in Africa reflects the country's broader foreign policy ambition of being recognized among the key players in world politics. Gaining economic presence and conquering new markets has been only one element of this 'grand strategy' towards Africa.

97 Peter Dauvergne and Déborah Farias (2012), 'The Rise of Brazil as a Global Development Power', *Third World Quarterly*, Vol. 33, No. 5, pp. 903–17.

98 This has been only partially successful so far. While it is said that its successful campaigns for the FAO Director General and the head of the World Coffee Organization were only possible owing to the broad support of African countries, Brazil's ultimate goal of winning a seat at the UN Security Council has been obstructed, not least by Africa's resistance to reform that body.

99 Kelley Lee and Eduardo J. Gómez (2012), 'Brazil's Ascendance: The Soft Power Role of Global Health Diplomacy', *European Business Review*, <http://www.europeanbusinessreview.com/?p=3400> (last accessed 13 September, 2012); Council on Foreign Relations Task Force Report (2012), *Global Brazil and U.S.–Brazil Relations* (New York: CFR).

O Brasil na África – Mais um País dos BRICS Buscando Recursos?

Pontos de Resumo

- Durante a última década o Brasil ampliou o seu engajamento na África e a sua presença diplomática no continente aumentou para o dobro – de 17 para 37 embaixadas.
- Forjaram-se novas parcerias financeiras e o comércio com a África aumentou de US\$4,2 bilhões para US\$27,6 bilhões.
- O petróleo e outros recursos naturais representam 90% dos produtos importados pelo Brasil do continente. Os investimentos brasileiros dirigem-se principalmente à África lusófona.
- Os decisores brasileiros consideram que o maior potencial africano seja a viabilização de um mercado de consumo para os produtos manufacturados pelo Brasil.
- O Brasil também emprega a sua política africana como meio de alcançar a meta da sua política externa: o reconhecimento do país como grande potência.
- A colaboração Sul-Sul é uma das forças motrizes da política africana do Brasil na sua procura de apoio para obtenção de um lugar no Conselho de Segurança da ONU.
- O Brasil defende projectos de cooperação Sul-Sul que se baseiem na sua própria experiência de desenvolvimento. Exitos na pesquisa médica e biomédica assim como na pesquisa agrícola foram transformadas em eficazes instrumentos de política externa.

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