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# **Chinese and Brazilian Cooperation with African Agriculture**

## **The Case of Mozambique**

S. Chichava, IESE, 2013

# Structure of presentation

- Introduction
- Brazil as Mozambique's development partner
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- A comparative perspective on actors' perceptions about Brazil and China as Mozambique's development partners in agriculture
- Conclusion

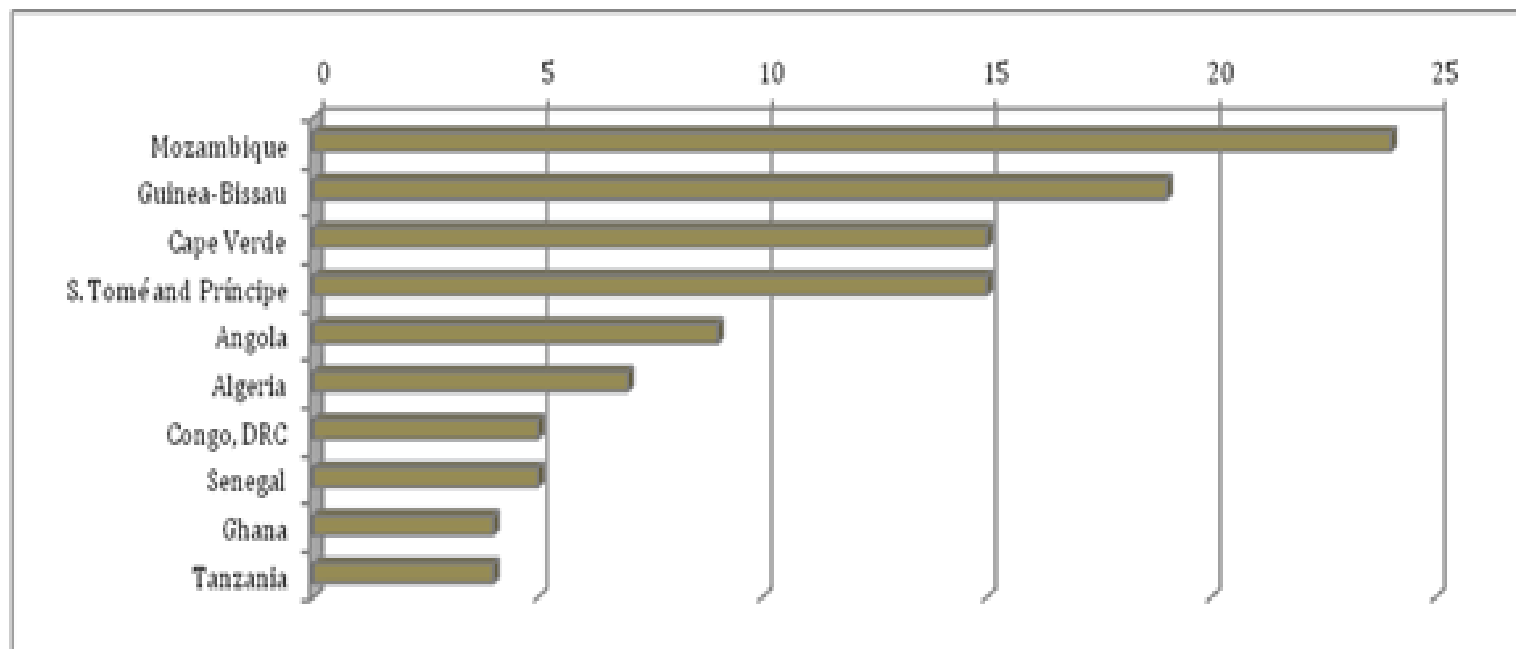
# introduction

- The purpose of our study is to provide an account of the policies, narratives, operational modalities and underlying motivations of Brazilian and Chinese development cooperation in Mozambique.
- **Key questions:**
- How the engagements are perceived and talked about? What drives them and what formal and informal relations are emerging at the level of particular exchanges?
- Are new paradigms for development cooperation and agricultural development being forged by the rising powers in Africa?

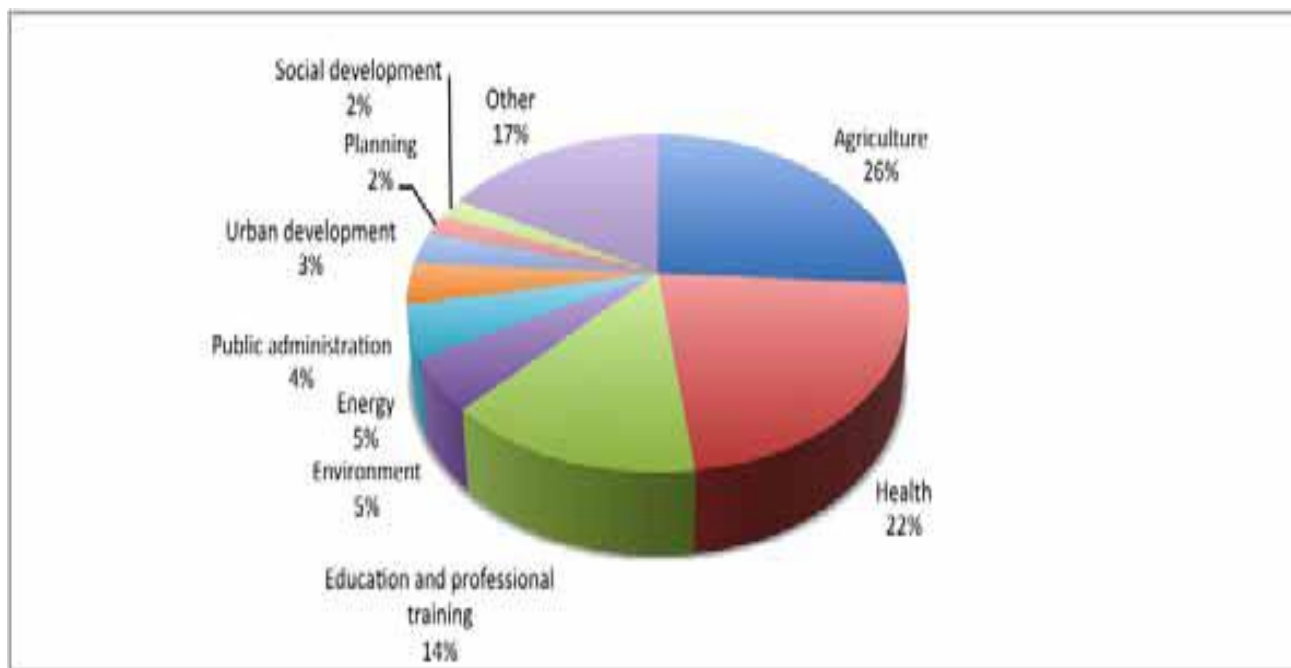
# **Brazil as Mozambique's development partners**

- Mozambique occupies a prominent position in Africa-Brazil relations (fig.1)
- Although disaggregated country data on inter-sectoral resource allocation is not yet readily available, Mozambique is likely to display a similar pattern to that found in Africa as a whole (fig.2)

**Figure 1: Top ten beneficiaries of Brazilian technical cooperation in Africa, 2011  
(Cabral & Shankland 2013)**



**Figure 2: Brazilian technical cooperation in Africa, sectoral distribution of resources in 2003-10 ( Cabral & Shankland 2013)**



## **China as Mozambique's development partner**

- The agreement on trade and on the Promotion and Reciprocal Protection of Investment, and the establishment of a Joint Economic and Trade Commission in 2001: the first two landmark events in re-launching the cooperation in the wake of FOCAC 2000.
- The Chinese presence in Mozambique also took on a new impetus with the visit of the Chinese president, Hu Jintao, in February 2007.
- Since then, China has been among the top ten countries investing in Mozambique.

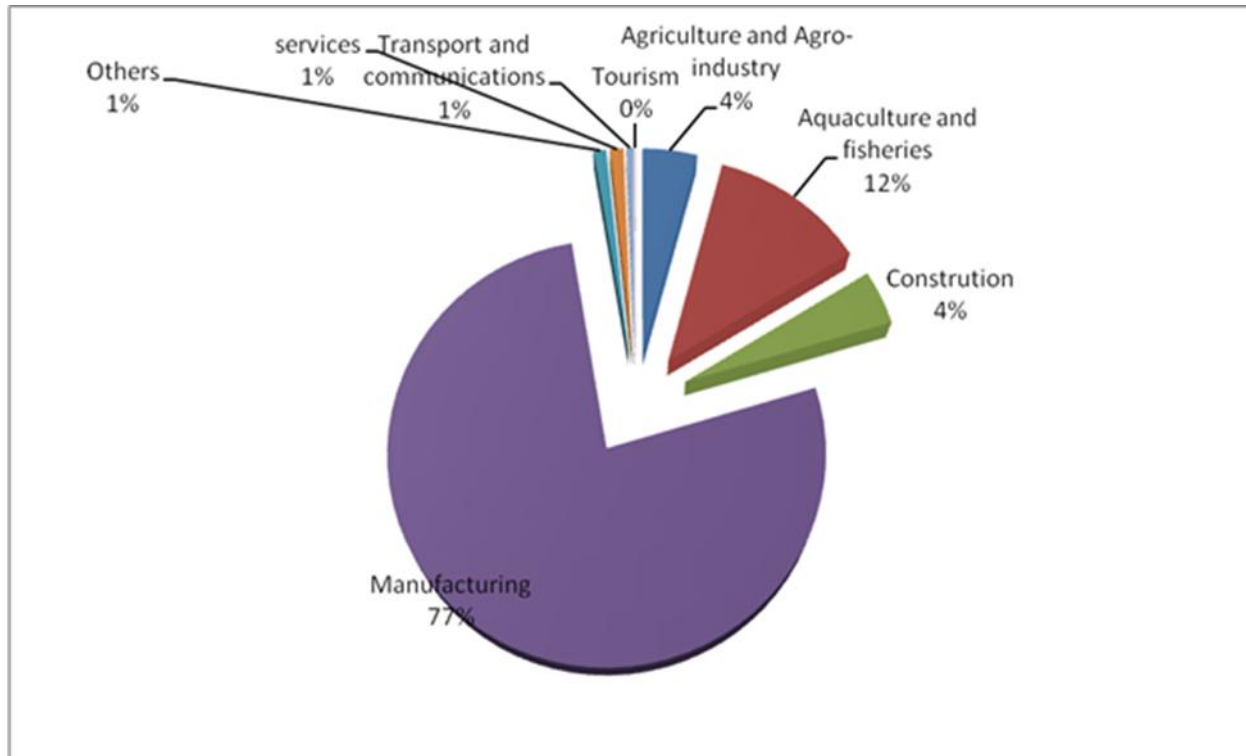
- In agriculture sector cooperation with China dates back to early days of the country's independence in 1975.
- The present framework for bilateral cooperation in agriculture is based on an agreement signed between the two countries in 2002.

# Chinese aid to Mozambican agriculture (2005-2012)

Year	Project	Volume (\$)	Financial institution	Location
2005	Agricultural processing plant construction projects	50 million	Exim bank (concessional loan )	Zambezi Valley
2007	Agricultural technology demonstration centre	6 million	Ministry of Agriculture(MOA)/ Ministry of Commerce (MOFCOM) (grant)	Boane, Maputo
2012	Chokwe Agro-Processing Complex	60 million	Exim Bank ( long-term credit)	Chokwe, Gaza

- Between 2000 and 2010 Chinese FDI in Mozambican agriculture was only 4 per cent of China's total investment in the Country (figure 3).
- The majority of Chinese companies have invested in timber, not in food crops.
- This pattern is not dissimilar from other non-Chinese FDI investments in the agriculture sector.

# Chinese FDI by sector (2000-2010), Fig.3



- However, compared to investment in other countries in Africa, China's direct investment in Mozambique is relatively small. From the perspective of investment flows, the proportion of China's investment in Mozambique has been less than 1%.
- Thus while China represents a key trade and leading investment partner for Mozambique, relatively speaking, Mozambique has not been a major destination for China's investment in Africa.

# **A comparative perspective of actors' perceptions about Brazil and China as Mozambique development partners in agriculture**

- ***A. China and Brazil actor's perceptions:***
- They frame their engagement in Mozambican agriculture through narratives of historically-derived solidarity with Mozambique
- Another commonality in official discourse is the Emphasis on a shared experience of having been aid-recipient countries until recently.
- They see development cooperation (in agriculture as in other fields) both as a foreign policy instrument and as a means to create new economic opportunities, however there are differences in emphasis.

- Both sets of experience include: strong emphasis on the guiding role of the state, the complementary importance of private investment, but the nature of the agricultural transformations to which these factors contributed is very different.
- The self-affirming nature of these narratives means that both Chinese and Brazilians tend to believe that they have much to teach and little to learn. This contradicts the discourse of “mutual learning” that is common among advocates of South-South cooperation.

- ***B. Mozambican actors' perceptions***
- **1.** perceptions of policy elites
- 1.1. The country's policy elites share with both Brazil and China a tendency to emphasise technologically-driven modernisation as the key to the future of agricultural development in the country.
- 1.2. They see China and Brazil as important sources of capital as well as technology – something they perceive as lacking in the cooperation models offered by established “traditional” donors;

- **2. Mozambican front-line bureaucrats and farmers:**
- 2. 1. They share some of the idealising discourses of their superiors. However, they are more inclined to emphasise differences between Brazilian and Chinese cooperation approaches.

# Conclusion

- This scoping study constitutes a first effort towards building a systematic understanding of the nature of the Brazil-Africa and China-Africa encounters in the agriculture sector in Mozambique.