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The CAADP and Emerging Economies: The Case of Ghana and Brazil

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ECDPM – LINKING POLICY AND PRACTICE IN INTERNATIONAL COOPERATION

ECDPM – ENTRE POLITIQUES ET PRATIQUE DANS LA COOPÉRATION INTERNATIONALE

The CAADP and emerging economies: the case of Ghana and Brazil

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Key messages

Brazil's engagement in Ghana is largely supportive of the country's CAADP investment plan. Yet, this case study questions the extent to which CAADP is "fit" to provide an effective platform for South-South or Trilateral Cooperation.

Further, insufficient attention has been given to how CAADP interacts with prior domestic policy-making processes. These will largely determine the "space" for engaging emerging economies to with the process at national level.

There are clear trends towards pragmatism and cooperation between newer southern development partners and more established "western" development partners. But the role of CAADP in promoting this trend, presently or in the future, is not clear.

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Acronyms

ABC	Agência Brasileira de Cooperação
ASWG	Agricultural Sector Working Group
BNDES	Brazilian Development Bank
CAADP	Comprehensive Africa Agriculture Development Program
COCOBOD	Ghana Cocoa Board
CORAF	Conseil ouest et centre africain pour la recherche et le développement agricoles (West and Central African Council for Agricultural Research and Development)
CSIR	Council for Scientific and Industrial Research
DAC	Development Assistance Committee
DfID	Department for International Development
ECOWAS	Economic Community of West African States
ECDPM	European Centre for Development Policy Management
Embrapa	Empresa Brasileira de Pesquisa Agropecuária (Brazilian Enterprise for Agricultural Research)
FARA	Forum for Agricultural Research in Africa
GCAP	Ghana Commercial Agriculture Project
MDA	Ministry of Agricultural Development
METASIP	Medium Term Agriculture Sector Investment Plan
MoFA	Ministry of Food and Agriculture
MoFEP	Ministry of Finance and Economic Planning
MRE	Ministério das Relações Exteriores (Ministry of External Relations)
NEPAD	New Alliance for Food Security and Nutrition
OECD	Organisation for Economic Co-operation and Development
PBC	Product Buying Company
PPP	Public-Private Partnership
SADA	Savannah Development Authority
SAKSS	Strategic Analysis and Knowledge Support Systems
SEZ	Special Economic Zone
SSC	South-South Cooperation

Executive summary

What does the increasingly important engagement of emerging economies in the African agricultural sector mean for the African Union's Comprehensive Africa Agriculture Development Program (CAADP)? This paper looks at the case of Ghana and Brazil, and tries to flesh out how Brazilian cooperation and private investment relate to the country's CAADP investment plan, the Medium Term Agriculture Sector Investment Plan (METASIP). It is hoped that such an analysis can feed into broader reflection on how to rally various external stakeholders, be they emerging economies, OECD-DAC development partners, private sector actors, and others, around African owned regional and national agricultural development plans. This country study is part of a broader research project, with other country case studies undertaken in Tanzania and Ethiopia.[1]

This study's methodology is based on a careful literature review and in-country interviews of key government officials, cooperation agency staff and diplomats, and additional conversations with various actors of the country's agricultural sector. **The research tried to understand how these stakeholders relate to the METASIP, with a specific focus on Brazil.** In order to get a comprehensive view, the study also incorporated questions around more recent cooperation frameworks, like the G8's New Alliance for Food Security and Nutrition, and the NEPAD's "Grow Africa" initiative, which place increasing importance on private sector engagement in agricultural cooperation and development.

What emerges from the study below, and particularly so in relation to the two other ECDPM country case studies in Ethiopia and Tanzania, is the notion that CAAPD country investment plans and the CAADP framework itself unfold in very different ways from country to country. **Emerging economy engagement with the CAADP process largely depends on the shape CAADP takes at country-level.** As such, it is hard to come up with a definite "conclusion" around a particular emerging economy's engagement with the CAADP processes at country level across different countries.

In Ghana, for example, the CAADP processes have gotten enmeshed in the local policy processes, to a degree where it has practically become "absorbed" by local pre-CAADP structures. Indeed, most of the persons interviewed felt that CAADP had originally led to a duplication of structures and efforts at the time of its introduction. Currently, the investment plan serves a double purpose of guiding development partner dialogue with its Ghanaian counterparts, and, to a lesser extent, guiding agricultural policymaking in the country. Further reflection should probably take place on CAADP implementation at country-level, with more recognition of "pre-CAADP" institutions, trends and policies.

Currently, Brazil's activities, whether public or private, do "fit" within the plan. In other words, Brazil is "CAADP aligned" in Ghana. It is the way in which Brazil engages with the country that is different from OECD-DAC (western) development partners. Brazilian development cooperation uses different modalities, different "ways of working", and different narratives. Dialogue takes place through either purely technical, or alternatively high level channels. The modalities for the provision of "aid" and technical assistance, described below, are also markedly different than most other donors supporting the METASIP.

Therefore, Brazil does not privilege the Ghanaian investment plan and its accompanying government-donor coordination and dialogue group to plan or implement its activities. This is not

[1] These are available here: www.ecdpm.org/foodsecurity.

necessarily the result of bad will or lack of interest, but a result of the emerging characteristics of Brazilian cooperation. Further efforts to engage emerging economies in CAADP should therefore reflect on how the framework can be adapted to render it more attractive to emerging donors.

While private sector promotion and involvement in development efforts is clearly a trend amongst both traditional and newer development partners, the modalities used are different. **Brazilian efforts are more akin to traditional "commercial diplomacy", with commercial attachés focusing on establishing links between Ghanaian and Brazilian private sector, organizing stands at trade fairs, and facilitating commercial deals**, or in the case of the *More Food Africa* program described below, **financing Brazilian private sector indirectly** through loans provided to developing countries.

What does this mean for CAADP? First and foremost, it means the way CAADP unfolds in a country is key in determining the extent to which emerging economies are "de facto" included in the CAADP process. If the investment plan is principally a document used by OECD-DAC donors and partner country governments to structure their dialogue, as useful as that might be, **the inclusion of emerging economies into these frameworks is likely to face the same challenges as, at a broader level, efforts by OECD-DAC development partners to get emerging economies to "do development like us".**

This does not mean that Brazil or other emerging economies are completely closed to dialogue or cooperation with other development partners. **Brazilians are keen, up to a certain degree, to engage in trilateral cooperation and learn from "western" development partners. The same is true of OECD-DAC donors: most of them do recognize the clear value added of Brazil and of its technical agricultural research agency, Embrapa.** Some of them look to Brazil for new agricultural development models. This augurs well for the idea that African policy frameworks like CAADP should seek to "take the best" from each external partner for domestic development purposes.

The question is whether CAADP can provide and facilitate a platform for such exchanges to take place. Is there a risk that CAADP could be seen as a platform that is skewed towards the way OECD-DAC development partners "do" development? Most emerging economies provide government-to-government technical assistance following high-level visits, and, as a matter of principle, do not engage in policy discussion with the partner government. With this in mind, is the CAADP methodology, as currently conceived, appealing enough for their way of working? These are the questions around which the study suggests more reflections should take place.

1. Introduction

1.1. Aim and rationale of this study

The aim of this paper is to detail the way in which Brazil's agricultural cooperation in Ghana relates to broader efforts undertaken under the Comprehensive Africa Agriculture Development Program (CAADP) as it unfolds in Ghana. The CAADP, launched in 2003 by the African Union's Assembly, aims at providing a rallying point for civil society, donors, governments, private sector and other relevant stakeholders around an African-owned agenda for agricultural development. It is being increasingly recognized however that the inclusion and participation of emerging economies in the framework will be key for its sustainability and success. Beyond high-level Memorandums of Understanding and political statements however, it is likely that dynamics at country level will be key in influencing the way in which emerging development partners relate to the CAADP agenda.

In order to explore these issues, ECDPM conducted a number of country missions to gather perceptions on emerging economies' support to the agricultural sector in Africa, and the way in which this support relates to the CAADP process. This study focuses on Ghana and Brazil for several reasons. First, Ghana is relatively advanced in the CAADP process. It is also at the forefront of new initiatives like the G8's New Alliance and Grow Africa, aiming at mobilizing private sector support for efforts undertaken under the CAADP.[2] Finally, Brazil has some agricultural cooperation programs running in the country, and has made financial resources available for Ghana's agricultural development.

Ghana's CAADP investment plan, the Medium Term Agriculture Sector Investment Plan (METASIP), provides the blueprint for government, development partner and private sector interventions in the country's agriculture. The way the CAADP process unfolds is evidently country-specific, and generalization from a single case should be taken with caution. Nevertheless, comparing and gathering views on how Brazil's emerging activities tie in with the national investment plan provides an interesting basis for reflection on the issues likely to arise if newer development partners like China, Brazil or India were to engage in the process in a more sustained and systematic manner.[3]

It is important to emphasize that this study focuses on actors' perception in the country, and does not pretend to provide a neutral and comprehensive picture of these issues. As such, it is primarily based on country interviews and past research on the topic. It is hoped that it will provide a good basis for further reflection and dialogue.

1.2. Brazilian presence in Ghana's agriculture: modest, but growing

Brazilian presence in Ghana's agricultural sector is relatively modest when compared to Lusophone African countries like Mozambique or Angola. It is however actively trying to strengthen diplomatic ties with Ghana, and agricultural cooperation is one of the areas being promoted in order to achieve this. These efforts are part of a broader trend aiming at diversifying Brazil's relations with African countries beyond those with

[2] The G8's New Alliance for Food Security and Nutrition", launched in 2012, aims at "50 million people out of poverty over the next 10 years". Its main innovation is to include "intents" from private companies to invest in Africa's agriculture. Ghana is a country of focus for the initiative The "Grow Africa" initiative, led by the African Union's NEPAD, has a similar focus on increasing private sector investment in Agriculture.

[3] This study uses the terms "Non-OECD Development Assistance Committee (DAC) donor", "new Development Partners", and "emerging donors" interchangeably, for lack of a better terminology.

which it enjoys cultural affinities (Gabas et al, 2012). The opening of the Embrapa Africa office in Accra in 2006, and of its embassy in 2011 is part and parcel of this strategy. As argued below, Brazilian agricultural cooperation should be viewed within this trend: as an integral part of Brazilian foreign policy.

Brazil's technical agricultural agency, the *Empresa Brasileira de Pesquisa Agropecuária* (Brazilian Enterprise for Agricultural Research, Embrapa), does not run large-scale projects in Ghana like it does in Mozambique. Field research undertaken for this study could identify a few technical projects run by Embrapa, as well as a US$96 million loan part of Brazil's *Mais Alimentos Africa* (More Food Africa) initiative, and another cooperation project on the design of Ghana's school feeding program. Several more projects are being considered, as detailed below, and the Brazilian embassy actively facilitates commercial transactions between the two countries in agricultural machinery. Brazilian private investment in the country's agriculture is relatively modest, with only one investor currently present in the sector.

2. The context: the Brazilian Development Cooperation Architecture

Brazilian development cooperation is qualitatively different from that of OECD-DAC donors in its architecture, accompanying rhetoric and goals. The literature on the topic is already well developed but three broad dimensions of Brazilian development cooperation are directly relevant to this study. Firstly, Brazilian development cooperation is embedded in the narrative of South-South Cooperation (SSC). The framing of Brazil's development cooperation is therefore markedly different from that of OECD-DAC donors: it is couched in a "win-win", "no-strings attached", "government-to-government" language, implicitly differentiating them from western donors. Secondly, Brazilian development cooperation is, very explicitly, a tool of Brazilian foreign (including commercial) policy. This dimension, alongside development and poverty reduction objectives, is recognized and acknowledged by Brazilian actors themselves. Thirdly, as detailed below, Brazilian development cooperation is split amongst a significant number of governmental actors in Brazil.

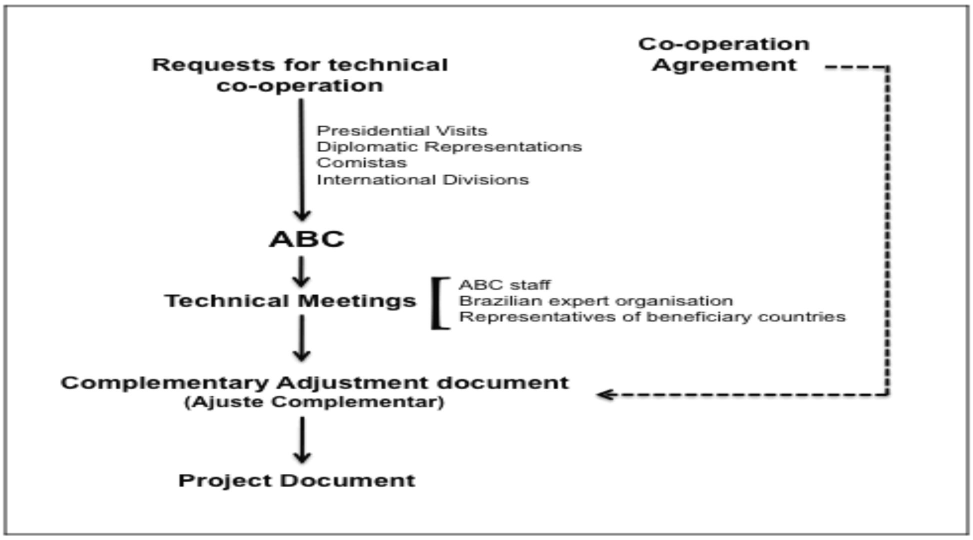
At first sight, the structure of Brazilian development cooperation might seem relatively closer to those of "traditional" western development partners, when compared to other emerging donors such as China. It has an agency in charge of coordinating all development cooperation activities aboard, the *Agência Brasileira de Cooperação* (ABC*)* housed in the Ministry of Foreign Affairs, the *Ministério das Relações Exteriores* (MRE), and a technical implementing agency specialized in agriculture, Embrapa. It is important to note that ABC has no expatriate staff posted abroad (although it does have focal points in some Brazilian embassies), and that its staff is principally composed of career diplomats, with a high internal turnover rate (Cabral and Weinstock, 2010).

The ABC, having a coordination mandate, liaises with other domestic Brazilian agencies or ministries running cooperation activities in third countries. For example, in Ghana, no less than four different governmental entities based in Brazil are involved in agricultural cooperation. If links established with regional Embrapa research centers or other bodies during scoping missions of Ghanaians to Brazil are included, this number would probably rise. Therefore, as Gabas et al (2012) note, the high number of agencies and ministries involved in direct cooperation with third countries makes Brazilian development cooperation particularly fragmented.[4]

This being said, Embrapa runs the bulk of Brazil's agricultural cooperation programs abroad and has the greatest visibility. Its mandate is restricted to technical assistance projects, with a focus on scientific research, although it has some leeway to engage in larger scale projects or in "consultancy" type activities on a case-by-case basis. It is essentially an executing agency, working on relatively short-term technical assistance projects handed down by ABC, based on partner country requests (see Figure 1). These requests often result from high-level diplomatic visits (as is the case for Embrapa's Cassava project in Ghana).

Figure 1 depicts the typical framework for Brazilian cooperation projects. There are however notable exceptions to this way of working. An example is the *Africa Brazil Agricultural Innovation Market Place,* whose projects are not the direct result of partner country request, but of an open call for proposals. The platform is funded by the World Bank and the United Kingdom's Department for International Development (DfID)[5] The second exception is longer-term projects going beyond purely technical assistance, referred to as *proyectos estructurantes*, currently taking place in Angola and Mozambique. These projects are larger in scale and more holistic in nature, and employ significantly more resources and staff. Thirdly, under certain conditions Embrapa might consider undertaking "consultancy" type activities, working directly with large Brazilian private investors. This is something it usually does not do given its public agency status, but will do if requested, and paid for, by the partner country.

Figure 1: Brazilian development cooperation framework



Source: Cabral and Weinstock (2010)

Interestingly, interviewees and observers note that this setup to some extent is a reorientation of institutions originally conceived for domestic aims. ABC, for example, emerged out of Brazil's experience

[4] These are Embrapa, the *Ministério do Desenvolvimento Agrário* (Ministry of Agricultural Development, MDA), the *Ministério do Desenvolvimento Social e Combate à Fome* (Ministry of Social Development and Fight against Hunger, MDS), and *the Banco Nacional de Desenvolvimento Econômico e Social* (Brazilian Development Bank, BNDES)

[5] See http://www.africa-brazil.org/site/

as a receiver of aid: its original mission was to coordination aid inflows into the country. It is now asked to coordinate Brazil's own foreign aid activities abroad. Embrapa, founded in 1973, has for primary mission the development of Brazil's own agricultural sector. It has 38 offices in Brazil, close to 10,000 employees, out of which 2,200 are researchers. Fifty per cent of these researchers hold PhDs, and are posted throughout rural areas in Brazil. In comparison its activities in Africa are very limited and new: it has only one permanent office in Africa, opened in Accra in 2006 and covering the entire continent. The Africa office is run by a single staff supported by a local secretary (having been downsized from three fulltime staff in the past). According to some analysts, the re-orientation of institutions engineered for domestic purposes towards international cooperation is the biggest challenge facing Brazilian development cooperation (see Cabral and Weinstock, 2010; Cabral, 2012; Gabas et al, 2012).

These characteristics influence the way Brazil engages in development cooperation in agriculture. They also influence the way it relates to the CAADP framework. These implications are detailed in Section 5 and the concluding section.

3. Brazil in Ghana: Perceptions of Brazilian agricultural cooperation

Field work could identify three types of links between Ghana and Brazil in the realm of agricultural cooperation: i) projects run by Embrapa ; ii) bilateral exchanges by way of Ghanaian missions to Brazil (or Brazilian missions to Ghana); and finally; iii) a $96 million loan for Ghana's agricultural mechanization program, part of Brazil's *More Food Africa* initiative. This section takes each up in turn, outlining the activities and how different stakeholders interviewed for this study perceive them.

3.1. Projects: Embrapa technical assistance

Technical assistance in agriculture between Brazil and Ghana takes place through Embrapa. Currently, Embrapa operates around 21 projects in West Africa (Gabas et al, 2012). In Ghana, these projects are undertaken either on a government-to-government basis or though the *Africa Brazil Agricultural Innovation Market Place*. Because Embrapa projects often take the shape of short-term technical assistance missions, with experts dispatched from Brazil on a short-term basis, any accurate assessment of the total number of projects taking place in the country at a particular point in time is difficult.

Government-to-government technical assistance in Ghana places a heavy emphasis on research, technology and know-how transfer with local research structures. The Embrapa Africa office, for example, is built in the Ghanaian Council for Scientific and Industrial Research's (CSIR) compounds. Embrapa has provided technical assistance for research on improved strains of Cassava. At least one additional project on climate smart agriculture is in the pipelines, to be replicated across Tanzania and Mozambique. Another possible area of cooperation would involve sharing lessons from Brazil's experience with peri-urban agriculture.

A second type of project under the supervision of Embrapa takes place through the *Africa Brazil Agricultural Innovation Market Place.* The project aims at matching Brazilian researchers with their counterparts in Africa through open calls for applications. These are typically smaller than government-to-government technical assistance activities, averaging around US$80.000 per project. Coordinated on the

African side by the Forum for Agricultural Research in Africa (FARA), two projects are currently running in Ghana: one on cowpea inoculants, the other on medicinal and edible mushrooms.

Embrapa's history as a government agency providing technical solutions to agricultural development challenges strongly guides its activities and way of operating on the African continent. In this sense, Embrapa does not see itself as "a donor" or an implementing agency, but as a technological "solution provider" in the complex field of agriculture and agricultural engineering. Most of its projects in the country focus on the transfer of agricultural technology and knowhow, which makes it qualitatively different from other development partners or technical agencies. Embrapa is keenly aware that in providing such expertise and playing a positive role in Africa's development, it is part of the government of Brazil's "soft power" on the continent. This does not, however, keep the agency from engaging in trilateral cooperation with OECD-DAC donors, although this does not happen in Ghana for the time being. Cabral (2010) estimates that one out of five Embrapa projects in Africa is undertaken in cooperation with a northern donor. Therefore, while Embrapa operates within the broad framework of Brazilian foreign policy and narrative of SSC, it is also relatively pragmatic when it comes to engaging in trilateral cooperation.

The perception of Embrapa's work is generally positive amongst stakeholders in the country. Most western donors recognize that technical agricultural cooperation is clearly Brazil's comparative advantage, and that the Agency has an important and positive role to play in Ghana's efforts to develop its agricultural sector. This positive view is however tempered by the fact that most donor agencies "do not know what they [Brazil or Embrapa] do in the country". While the agency used to attend donor-government coordination and dialogue meetings, it has stopped doing so lately and no longer fills in the donor coordination matrix that forms the basis of such meetings, a point developed below. Others contend that the Agency has had troubles connecting to local research structures and soliciting a strong buy-in from local researchers, a shortcoming that might be the result of the relatively short-term nature of its assignments.

3.2. Missions to Brazil: the attraction of the Brazilian model

A second finding emerging from the country research is the impressive number of "missions" to Brazil undertaken by the Government of Ghana (GoG), the Economic Community of West African States (ECOWAS), or staff from OECD-DAC donor projects. The aim of these missions appears to be twofold, depending on the specific example. Some seem to be focused on establishing links with Brazilian public or private bodies in the field of agriculture that can concretize in fully-fledged projects run (or coordinated) by Embrapa at a later stage. Others are more clearly oriented towards learning about the "Brazilian model" of agricultural development, and replicating it in Ghana.

For example, the "Cotton 4 project" between the *Conseil ouest et centre africain pour la recherche et le développement agricoles* (CORAF) and the *Instituto Matogrossense do Algodão (Mato Grosso State Institute of Cotton)* initially started by a visit by CORAF and FARA to Brasilia, and is clearly oriented towards knowledge and technology transfer in the production of cotton.[6] Others have a more explicit "policy learning" dimension, aiming to draw lessons from Brazilian policy in the field of food security and agriculture. For example, Ghanaian officials went to Brazil in 2012 to learn from the Brazilian experience in school feeding programs. The Brazilian Program, the *Programa Alimentação Escolar*, buys food for schools directly from smallholder farmers at set prices – providing an interesting example of government support to smallholders through public procurement.

6 See http://www.oecd.org/aidfortrade/47699046.pdf

Interestingly, the school feeding program mission referred to above took place in the context of a World Food Program project linked to the CAADP country investment plan.[7] Similarly, staff from USAID's and the World Bank's flagship project in Ghana, the US$150 million Ghana Commercial Agriculture Project (GCAP), part of the Grow Africa Umbrella, were taken to Brazil to explore how the Brazilians state had undertaken projects meant to attract private investment in agriculture. It is therefore noteworthy that a number of these missions, aiming not just to tap in Brazilian expertise and knowhow, but explicitly trying to replicate Brazilian domestic policies, are undertaken in the context of projects financed by traditional development partners. More than formal participation in CAADP-inspired structures, it is probably this type of more or less informal "learning" experiences that hold the greatest potential for effective cooperation between emerging economies, OECD-DAC donors, and partner country governments.

It is sometimes difficult to draw a clear line between these missions and concrete Brazilian "projects". Indeed, short-term missions and visits to Brazil by staff from Ghanaian ministries, and trips to Ghana by Brazilian civil servants are, in some cases, the way Brazilian cooperation projects are implemented. This is the case for the school-feeding program for example: there is no Brazilian agency on the ground "implementing" the initiative, it is rather through rounds of missions that the project's aims are to be achieved. Follow up to these missions takes place directly between the ministries and agencies involved on both sides.

In terms of perceptions, most stakeholders in the country clearly expressed a strong belief and enthusiasm towards possible lessons that the Brazilian model could bring for Ghana – especially in the field of commercial agriculture. The wide number of missions and visits is probably a testimony to the attraction of the Brazilian model – however realistic that vision might be (see Cabral, 2012, for a critique). Several interviewees, however, doubted the outcomes and concrete follow up of such trips. Further, there seems to be very little coordination between them, which might be explained by the fact that their organization is very decentralized on both the West African and Brazilian sides.

3.3. More Food Africa

Brazil has also made financial support available to Ghana's agricultural development efforts through a US$96 million loan to the Ghanaian Ministry of Food and Agriculture (MoFA) for the procurement of Brazilian agricultural machinery. The loan is part of the Memorandum of Understanding between Ghana and Brazil signed in 2011, establishing a formal framework for technical cooperation. It is provided by the Brazilian Development Bank (BNDES), with a 2% interest rate at 10-year maturity. It is part of the broader, Africa wide *More food Africa* program of the Brazilian Ministry of Agricultural Development (MDA), for which several African countries are eligible. The loan is coordinated on the Ghanaian side by the Ministry of Finance and Economic Planning (MoFEP), as are all other financial inflows from other development partners. The MoFA's engineering department deals with the technicalities in terms of the exact nature of the equipment needed. The loan feeds in directly to the Ghanaian ministry's agricultural mechanization program, one of its flagship initiatives. At the time of writing, it has not yet been disbursed because of "process constraints".

Clearly, the modalities of the loan differ fundamentally from traditional development partners' way of working. The loan, as is the *More Food Africa* initiative in general, is tied aid – the equipment has to be

[7] See http://www.wfp.org/blog/blog/ghana-delegation-spends-two-weeks-brazil-exchange-linking-school-feeding-programmes-local-

procured from Brazil. As Gabas et al. (2012) observe with regards to MDA's *More Food Africa* program: *"the discourse of Brazilian officials is unapologetic, convinced of the value added of Brazilian technology over that of "competitor" countries, and that the cooperation is therefore to the benefit of the country being "helped"*[8]. Further, the program's aim to promote Brazilian industry in "frontier markets" is put forward as a justification for its existence to Brazilian domestic audiences.[9]

The loan clearly attracted the attention of some OECD-DAC donors. One OECD development partner criticized the deal for being "opaque", while another remarked that its "hands off" approach risked seeing the equipment being used to favour electorally important districts. This critique emerges out of Ghana's historical experience, where there is a history of government led tractor distribution being used for electoral purposes (Amanor, 2013).[10] Further, the extent to which the MoFA program relies on market mechanisms or more direct government intervention to promote mechanization is a recurring topic of discussion between donors and MoFA, with donors in favor of more market oriented (or, more accurately, less market distorting) solutions. On the other hand, in a speech to the Ghanaian agricultural business fair, the Brazilian Ambassador framed the *More Food Africa* loan in the following terms: "*The state has to be strong in taking the lead (…) from our experience both private and public is important and the state has to be there to support technology*." Ghanaian government officials interviewed for this study put the mutually beneficial nature of the loan forward.

In any case, the *More Food Africa* loan for agricultural machinery in Ghana has– at the time of writing – still not come through. The focus of the Brazilian diplomatic delegation has since shifted to the promotion of Brazilian private sector investment in the country's agriculture. The machinery used in Ghana's mechanization program reportedly comes from other emerging development partners, notably China and India, although this could not be confirmed by this study's field research.

4. Brazil in Ghana: Perceptions of Brazilian private sector investment in agriculture

The amount of Brazilian private investment in Ghana's agriculture is limited, but it has become an area of focus for the Brazilian diplomatic delegation in the country. For example, in the last national agriculture business fair in Ghana, no less than 16 Brazilian equipment companies were present, alongside with the Brazilian Ambassador, who addressed the fair in a speech. At the same time, many donors, and the CAADP agenda itself, are shifting towards greater involvement of the private sector. Ghana being one of the countries of focus for the New Alliance, launched by the G8 in 2012, and NEPAD's "Grow Africa" initiative, the question of how these dynamics tie in with the national investment plan and policies naturally arises.

At the time of writing, there is just one Brazilian investor in Ghana agricultural sector, processing Cashew for the Brazilian market. Several other Brazilian firms take care of logistics and shipment. The plant is setup in a Special Economic Zone (SEZ), and should start operations soon. Another investment is foreseen in mango production in northern Ghana. This region is the focus of sustained government and development

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8 Author's own translation.
9 See http://www.noticiasagricolas.com.br/videos/entrevistas/88315-entrevista-confira-a-entrevista-com-francisco-hercilio-matos---coord-nacional---programa-mais-alimentos.html
10 See Houssou et al. (2012) for a detailed discussion of government intervention in the mechanization supply chain in Ghana.

partner efforts due to the increased prevalence of poverty in that zone. Accounts of another investment, widely reported in the press and in research documents, concerning bioethanol destined for Sweden, financed by Brazil and produced by a Ghanaian firm, appears to have been largely overstated – the project has never gotten off the ground. Brazilian officials deny having given consent to financing this project at any point in time.

Another private operation that has attracted attention from the media and other development partners in Ghana concerns a sheanut processing plant in Northern Ghana. The plant is run by the Product Buying Company (PBC), the private arm of Ghana's Cocoa marketing board, the COCOBOD. The machinery for this plant was supplied by Brazil, and the sheanut butter is destined for the Brazilian market. A Ghanaian agency in charge of coordinating development activities in the Northern region of Ghana, the Savannah Development Authority (SADA), had a lead role in the initiative, as did the Brazilian embassy, which facilitated the deal by signing of a Memorandum of Understanding with Ghanaian counterparts. Media reports hold that the cooperation with Brazil was agreed after a visit by Ghanaian Officials to Brazil.[11]

While private sector promotion and involvement in development efforts is clearly a trend amongst both traditional and newer development partners, the modalities used are somewhat different. Brazilian efforts are more akin to traditional "commercial diplomacy", with commercial attachés focusing on establishing links between Ghanaian and Brazilian private sector, organizing stands at trade fairs, and facilitating commercial deals, or in the case of the *More Food Africa* program mentioned above, financing Brazilian private sector indirectly through loans provided to developing countries.

OECD-DAC development partners' private sector oriented intervention, taking part in the context of CAADP, are different in that they still take place in a "program" framework, meant to facilitate PPPs, investment and the development of commercial farming. The Ghana Commercial Agriculture Project (GCAP), part of the Grow Africa umbrella, is a clear example of this trend: projects are meant to facilitate and promote private investment in agriculture by providing an "enabling environment" such as secure land tenure for large tracts of land, robust Public-Private Partnership (PPP) frameworks and links to smallholders through outgrown schemes. The Brazilian efforts to promote private investment in agriculture are more direct and closer to economic diplomacy than "development work" as understood by western donors. However, as highlighted earlier this does not mean that traditional donors do not try to see what the Brazilian agricultural model can offer for the design of their projects in Ghana (or that the same economic diplomacy reasons might not motivate OECD donors).

[11] http://www.bloomberg.com/news/2010-08-24/produce-buying-of-ghana-to-open-40-000-ton-shea-nut-processor-next-year.html

5. Perceptions of how Brazil's activities relate to the CAADP

5.1. Brazilian activities and the METASIP

On paper, Brazil's activities, whether public or private, do relate to the goals and activities outlined in Ghana's CAADP investment plan, the METASIP. For example, the development of peri-urban agriculture is explicitly outlined as a focus area, as is the development and industrialization of the Sheanut industry in the North. The development of Ghana's school feeding program is also listed in the METASIP's nutrition program. Embrapa's activities in agricultural research strongly relate to the METASIP's goals as well. Brazilian representatives feel that since they work with and through country structures such as the Ghanaian Council for Scientific and Industrial Research (CSIR) on a demand basis, their activities should "naturally" align to the country priorities outlined in the METASIP, without necessarily engaging in the country's CAADP/aid architecture to the same extent as OECD-DAC development partners.

However, most interviewees held that the "broad nature" of the METASIP makes an assessment of "alignment" on country priorities by different development partners a somewhat theoretical exercise. One interviewee noted "the challenge would be doing something that is not aligned to the METASIP". This perceived weakness in terms of focus and prioritization is currently being addressed with a METASIP review, planned in 2013, which should be an opportunity to address this problem.[12] In any case, the nature of the METASIP makes it so that an assessment of Brazilian "alignment" to METASIP priorities arguably does get the analysis very far in terms of Brazilian engagement with the CAADP process in Ghana.

5.2. The CAADP governance structure in Ghana

Another dimension of Brazilian engagement with the CAADP process in Ghana would seek to understand what the CAADP consists of exactly, in terms of governance structure, in the country. What is it that Brazil would join were it to be fully involved in CAADP structures at the country level in Ghana? What are the institutions steering the CAADP process in the country? What institutional structures have been set up to promote evidence based policymaking, participation, and other principles promoted by CAADP?

Kolavalli et al (2012, 2010), and numerous interviewees noted that the CAADP process, as it unfolded in Ghana, has gradually been merged with ongoing domestic policymaking in agriculture. While that is laudable, it also puts into question the exact added value of the CAADP in Ghana (Kolavalli et al, 2010). That is, the institutions setup under the CAADP process in Ghana, namely the METASIP steering committee, the CAADP country team or the Strategic Analysis and Knowledge Support Systems (SAKSS) have, by almost all accounts, not managed to find their place in the policymaking process in Ghana. The result is that the investment plan is steered by pre-CAADP structures. Several interviewees noted that pre-CAADP structures were "working fine", and that as a result, those introduced by CAADP did not attract significant buy-in from local stakeholders.

[12] It is important to note, however, that the merits of having a broader, more encompassing plan, or a clearly focused and more limited document is something that is debated in the country, with some interviewees holding that having a broad plan also has its own advantages.

For example in terms of structures, the governance of the country's CAADP investment plan is firmly anchored in the Agricultural Sector Working Group (ASWG), a pre-CAADP construct part of Ghana overall aid architecture. Essentially, the ASWG is a dialogue and coordination group between donors and the Ghanaian Ministry of Food and Agriculture. Most interviewees see the ASWG as functional, useful and providing an effective platform for alignment, harmonization and dialogue between development partners and the Ghanaian government. As an institution, it has been operational for over ten years, and Ghanaian side seems to have taken a clear ownership of the process. The other CAADP inspired structure are seen as less functional and active than the ASWG. In other words, CAADP processes do not come into a vacuum at country level, and sometimes have trouble proving their value added to domestic "organic" processes (for an elaboration of these arguments, see Kollavali & al, 2010.)

In any case, bringing Brazil to the "CAADP table" in Ghana would mean bringing it in the country's aid architecture, engineered along aid effectiveness principles.[13] This inevitably brings about broader questions of whether or not emerging economies such as Brazil can, or want to, work in frameworks engineered along these lines. It has to be noted, however, that the Brazilian ambassador does attend the Heads of Cooperation group, the highest external assistance coordination structure in Ghana.

5.3. Brazil's engagement with the country's CAADP investment plan

Brazil used to attend the donor coordination and dialogue group, the ASWG, on a semi-regular basis, through Embrapa, although it recently has stopped doing so. It finds it a useful tool for coordination and information sharing with other donors, but refrains from engaging in policy discussions. There is a sense that Embrapa, the technical agency representing Brazil in the Group, is qualitatively different from other donors and technical agencies at the table. It is more research oriented in nature – closer to a university or research consortium than to a development partner. This qualitative difference naturally limits its input and use of the ASWG.

Apart from the question of representation, there are broader questions regarding the purpose and *raison d'etre* of the investment plan. As explained above, the METASIP is rather broad, and in some respects does not provide a detailed picture of agricultural policy in Ghana. Several interviewees noted that some of the Ghanaian government's key programs and policy – e.g. the fertilizer subsidies, or the block farm initiatives – are not detailed to a great extent in the plan, perhaps in order for it to retain some level of autonomy from donors, whom might not be entirely supportive of the way these efforts are undertaken. Hence, to some extent the investment plan in Ghana is best understood as a document used by government and donors to conduct dialogue, rather than as a detailed operational guideline for agricultural policy. [14]

Following this train of thought, interviewees felt that the METASIP, apart from its stated function as a tool for outlining investment areas and priorities, was useful because it provides a working basis for coordination, harmonization, and ideally evidence based and participatory policymaking. That is, the way the Ghanaian and development partners conduct dialogue is shaped by principles and norms that are seen as valuable and important amongst traditional donors and their Ghanaian partners. Non-traditional development partners such as Brazil typically do not use these principles to conduct their aid activities –

[14] For an elaboration, see Kolavalli et al (2013). In their words: "The assumption that policies reflect current practices or that principles articulated in policies guide action is often not valid, particularly where policies are merely statements of objectives (…)In that sense, policies and investment plans are only instruments that governments use to dialogue with the external world".

not because they are against them, but because they provide “aid” along different modalities, principles, and using different narratives. The METASIP might therefore not be such an attractive tool for Brazil and other non-traditional development to engage with the Ghanaian government – simply because they engage with it along different lines, shaped by their own history, domestic institutional structures and political priorities.

For example, “technical” discussions taking place in the context of the CAADP investment plan (such as sector budget support triggers) might appear politically loaded to non-OECD DAC development partners. Some Brazilian interviewees felt that donor coordination groups were for “foreign affairs people, not technicians”. In other words, Southern development partner’s policy of non-interference in domestic policy might clash with OECD-DAC donor’s way of working, which involves policy dialogue with developing country government, as is the case with the agricultural sector in Ghana.

Beyond qualitative differences between newer and more traditional donors, clear geopolitical dynamics are at play, going beyond the CAADP investment plan. Non-OECD DAC development partners are skeptical of getting involved with traditional OECD-DAC development partners in the country’s aid architecture for strategic diplomatic reasons. Aid and development cooperation, apart from their poverty reduction aims, are also foreign policy tools, for traditional and non-traditional development partners alike. Some interviewees observed that this dynamic is clearly at play with other non-traditional donors, beyond the agricultural sector. Others cited the 96$ million loan for agricultural machinery as a clear example of this trend.

6. Conclusion

This paper has reviewed Brazil’s engagement with the agricultural sector in Ghana, and brought forward some of the views gathered on these activities gathered during the interviews undertaken in the country. In the case of Ghana, Brazil’s public and private activities do clearly contribute to the country’s agricultural investment plan. The difference with other development partners lies in the way Brazil engages with Ghana. Newer, emerging donors like Brazil operate according to different norms and operational guidelines. The way they structure their cooperation activities is also markedly different form that of OECD-DAC donors. This will inevitably impact the shape of their engagement with frameworks such as the CAADP. Furthermore, the way CAADP unfolds is radically different from one country context to the next. The “shape” it takes in a country will also have a strong influence of whether or not emerging donors see value in engaging with the some aspect of framework, be it the investment plan, donor coordination groups or steering committees.

Nevertheless, this does not mean that CAADP cannot benefit from emerging economies’ expertise in certain areas of agricultural development – or that emerging economies cannot contribute to CAADP efforts. In the case of Ghana, Brazil already contributes to CAADP efforts to a large extent, without having signed on to policy documents or “committed” to the CAADP principles. There are clear trends towards pragmatism on both OECD-DAC donors and the Brazilian side. Embrapa is clearly open to trilateral cooperation, while traditional development partners clearly recognize that the Brazilian expertise, and Brazilian technology are valuable assets for Ghana, and for their own activities. The Ghanaian MoFA also actively seeks out Brazilian expertise to achieve the aims of the METASIP. It is perhaps these cooperation and dialogue efforts at the program/project level that should be prioritized, as opposed to more “top down” approaches. Indeed, given that the MoFA acts as the secretary to the METASIP, further engagement of Brazil in the ASWG depends in large parts on its leadership, in line with the principle of country ownership.

Regarding private sector involvement, a clear trend in both traditional development partners and Brazil in Ghana's agricultural sector, the two approaches are clearly different. Brazilian officials are straightforward in acknowledging that public funds from Brazil can and will be used to promote private Brazilian firms, as in the case of the *More Food Africa* initiative. Diplomatic activities are also used to promote the sale of Brazilian machinery, even without the use of public funds, as is the case of the sheanut processing plant in Northern Ghana. Traditional development partners, on the other hand, depart from their own experience and commitments with to avoid tied aid. They therefore attach more importance to linking back private sector involvement to development impact, even if some level of scepticism remains in that regard. However, a key Ghanaian interviewee remarked that "if Brazil uses its public funds to get its private sector in Ghanaian markets, that would not make it very different from other development partners. The challenge [for Ghana] is to think of our own private sector". This observation perhaps calls for a clarification of the exact modalities used in promoting "private sector involvement", by traditional and non-traditional development partners alike.

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