Role of CAMPO in PRODECER: A Successful “Coordination” Model for Agricultural Development

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Introduction

The Japanese–Brazilian Cooperation Program for Cerrados Development (PRODECER), a joint venture between the Japanese and Brazilian governments, consisted of three main components: (1) research cooperation projects aiming to develop the necessary technologies for Cerrado agriculture; (2) funding cooperation projects for securing funds for producers to settle in the Cerrado region in order to start production activities; and (3) ‘coordination’ among many stakeholders taking part in the projects by combining (1) and (2) to achieve agricultural production in the Cerrado region in accordance with project objectives and time schedules.  

The Agricultural Promotion Company (CAMPO) has played a major role in (3), that is, ‘coordination’ work to guide relevant agencies and farmers to achieve agricultural production at the site where they came to work together. It is believed that CAMPO played a significant role in realizing the grand vision that Brazil and Japan had in mind during the 1970s, when outsiders had envisioned the Cerrado’s agricultural development idea as a kind of ‘unattainable dream.’ In this chapter, Section 10.1 explains the background behind the establishment of CAMPO and its main features; Section 10.2 outlines the role of CAMPO in PRODECER; Section 10.3 discusses some of the most important aspects of CAMPO’s coordination work with a focus on (1) ‘technology dissemination,’ (2) debt reduction negotiations, and (3) the outcome of ‘system design’ for the establishment of an agricultural cooperative at each project site; and Section 10.4 presents CAMPO’s current business and its prospects for development.
10.1 Main features of CAMPO

PRODECER had a complex structure combining a number of relevant government and private agencies from Japan and Brazil. A general 'coordination' entity was needed to guide them to efficiently carry out projects in line with its strategy. CAMPO was founded in Belo Horizonte, capital city of the state of Minas Gerais (MG), to act as the coordinator of PRODECER's implementation activities. It was founded jointly by Japan and Brazil in November 1978 under the laws of the new Corporation Act. Brazil established the Brazilian Agricultural Participation Company (BRASAGRO) with capital of 1,002,000 cruzeiro, the Minas Gerais State Bank being the largest shareholder. Japan established the Japan–Brazil Agricultural Development Corporation (JADECO) with capital of 20 billion yen, consisting of 10 billion yen from the Japan International Cooperation Agency (JICA) and the other 10 billion yen from 48 private corporations. The Brazilian side held 51 percent of the shares and the Japanese side held the other 49 percent.

The work content was specified in detail in Article 2, ‘Project Operation,’ of the Project Agreement signed by the Central Bank of Brazil (BACEN), JICA, and CAMPO in September 1979. The five primary tasks, including ‘coordination’ work, expected to be accomplished by CAMPO in the project are listed as follows:

1. Research, planning, and coordination work relevant to the project;
2. Agricultural technology dissemination;
3. Recruitment and selection of agricultural producers and acquisition of land for settlements;
4. Investment and guarantee of resources for agricultural producers;
5. Support for loan applications and technical advice to agricultural producers.

As seen above, CAMPO was established as a ‘settlement company’ for handling a series of projects in a comprehensive manner, starting with land selection for settlements and giving all the necessary technical support to the farmers and their families.

10.2 PRODECER and CAMPO

Settlement in PRODECER generally followed the steps listed below, and CAMPO was involved in every one of them: (1) land selection and acquisition for settlements; (2) development of a settlement plan (comprising