

Building Block Proposal

SOUTH-SOUTH AND TRIANGULAR COOPERATION:
UNLOCKING THE POTENTIAL OF HORIZONTAL
PARTNERSHIPS FOR BETTER DEVELOPMENT OUTCOMES

NOVEMBER // 2011



부산 세계개발원조총회
**4th High Level Forum
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SOUTH-SOUTH AND TRIANGULAR COOPERATION: UNLOCKING THE POTENTIAL OF HORIZONTAL PARTNERSHIPS FOR BETTER DEVELOPMENT OUTCOMES¹

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KEY MESSAGES

The Fourth High Level Forum on Aid Effectiveness presents us with the historic opportunity of advancing towards a renewed global development framework. In this event, partners are expected to recognize that the cooperation landscape is experiencing decisive changes, several of them motivated by the pro-active role of partners that are broadening the menu of development options available for addressing key development common challenges.

South-South cooperation is increasingly a tangible and mature source of development cooperation, significant for its contribution to development but also for the diversity of its practices, the lessons it offers on how to build common agendas between countries, and the capacities it can develop at regional and country levels.

In parallel, Triangular Cooperation is emerging as a promising modality of development cooperation increasingly relevant particularly for Middle Income Countries (MIC) and traditional donors, and which must be further explored as an innovative way to promote better development outcomes.

The development community is called to deepen the efforts to maximize the impact of South-South and Triangular Cooperation, strengthen institutions to effectively engage in these modalities and scale-up Knowledge Sharing to **adapt and learn from the experiences, institutional arrangements and successful initiatives of MICs and other developing countries.**

Evidence shows that effective South-South cooperation relations are often characterized by **inclusive and horizontal partnerships and networks based on equity, trust and mutual learning.** Development partners are called to recognize that those characteristics need to form the basis for any partnership for development.

It is **time to convert South-South and Triangular Cooperation into full-fledged tools for achieving development results.** If scaled-up, these modalities can bring about strategic transformations in the efforts of the development community to face development challenges such as poverty, inequality, sustainability of global and regional public goods, climate change, food insecurity, among many others.

This Building Block proposal expects to contribute to the debate at Busan as well as to provide an action-oriented framework to ensure that SSC becomes one of the key pillars of the post Busan Global Partnership for Development.

¹ | This document has been built based on three previous proposals produced independently by the Asian Development Bank, the Republic of Korea, and Colombia and Indonesia (on behalf of the countries and organizations members of the TT-SSC) that were approved by the Co-Chairs of the Working Party on Aid Effectiveness to be presented at the Busan HLF-4. The current draft has also benefited from the comments and suggestions of Better Aid, Colombia, Chile, Mexico, IADB, Germany, Spain, Japan, Korea, European Commission, La Francophonie, OAS, NEPAD, OECD, Pacific Islands Forum, PAHO and the WBI.



I. Why a building block on South-South and Triangular Cooperation?

The dynamics of development cooperation have changed. Today's complex architecture for development cooperation reflects a multi-polar world in which the sources of development knowledge and mechanisms have become geographically diverse. Developing countries have achieved success and acquired valuable experience in their efforts to meet the Millennium Development Goals and effectively deal with challenges such as poverty, inequality, sustainability of global and regional public goods, climate change, and food insecurity, among many others.

The positive economic performance and, more importantly, the outstanding social transformation observed in recent years in several Middle Income Countries (MICs), and in many Low Income Countries (LICs), have changed the landscape of development cooperation. Emerging economies and MICs are now significant development partners and their role is expected to increase over time.

Developing countries are collaborating among themselves to share resources and knowledge, while practitioners around the world are learning from each other making use of innovative tools and emerging technologies.

Development partners recognize that the wide set of tools, experiences, dialogue mechanisms, and institutional models shared through SSC is helping broaden the menu of development options available, notably making it an effective form of partnership for development. Nonetheless, they are called to acknowledge that the proactive role of many MICs should not affect their eligibility as recipients of aid and other types of development cooperation, particularly considering that most of the world's poor live in their territories and they still face major long-term development challenges.

In this context, the development cooperation agenda is being enriched by a wide array of South-South models coming from the developing world and by the modality of Triangular Cooperation (TrC) that involves both Southern and Northern countries and partners. This phenomenon implies that the North-South-oriented processes are being widened, although not substituted, by the South – South perspective.

On the basis of the high level commitments to be reached at Busan, the purpose of this building block is to create a voluntary coalition of countries and organizations to adopt and implement a forward-looking agenda on South-South and Triangular Cooperation, for strengthening capacities at country level, enhancing local ownership, promoting horizontal partnerships and knowledge sharing, and achieving sustainable development outcomes. Therefore, this collective initiative is expected to be linked-up to the global partnership for development to be agreed at the Busan HLF-4.

II. Foundations of this Building Block

The Accra Agenda for Action (AAA), endorsed during the 3rd High Level Forum on Aid Effectiveness (2008), recognized the importance and particularities of SSC and acknowledged that much can be learned from the experience of developing countries. The Bogota Statement (2010) outlines general guidance on how to fully unlock the potential of SSC as a tool for establishing horizontal partnerships for development, as well as for ensuring capacity development along the process.

The Task Team on South-South Cooperation (TT-SSC) was created as a platform to fulfill the triple mandate given by the AAA, in close coordination with other regional platforms. It has served as a dynamic and flexible umbrella to facilitate collaboration among policy makers, academia, civil society organizations and practitioners around SSC. Based on evidence from 160 case stories and 32 case studies, the TT-SSC produced a set of good practices and policy recommendations on how to scale up and improve the quality of SSC to be presented to the community of policy makers gathered in Busan. The partners of this Building Block proposal have taken into account these findings as very valuable inputs for guiding a post-Busan agenda on this critical issue.

Considering its relevance to the debate around development effectiveness, SSC and TrC will be one of the key building blocks at the Busan HLF-4 and several case studies and experiences will be showcased at the Forum's Knowledge and Innovation Space.

An implementation agenda on SSC and TrC will require action-oriented partnerships that engage partner countries, international institutions, regional players and communities of practice in the long term. It will also need to find synergies with other building blocks, and be underpinned by the appropriate governance and funding arrangements in order to facilitate coordination, ensure smooth implementation and adequate impact of the initiatives.

III. The partners and their roles

South-South and Triangular Cooperation have been given a prominent place in the draft Busan Outcome Document (forth draft). The preamble, as well as the section under the heading South-South and Triangular Cooperation for Sustainable Development, underline its importance in the emerging global development landscape. Key political messages provided in paragraph 7 are:

- + Share development knowledge and practices multi-directionally
- + Welcome new and diverse approaches to development cooperation
- + Commit to work together to build and learn from the achievements and innovations of these approaches and modalities

These messages provide guidance for moving forward. Moreover, in paragraphs 25 and 26, the draft document highlights the following commitments to action:

- + Scaling up – where appropriate – the use of triangular approaches to development co-operation.
- + Making fuller use of South-South and triangular co-operation, recognising the success of these approaches to date.
- + Encouraging the development of networks for knowledge exchange, peer learning and co-ordination among South-South co-operation actors as a means of facilitating access to important knowledge pools by developing countries.

Partners of this initiative will engage in the implementation of the four areas of work as described below. They are also expected to coordinate advocacy and outreach activities, contribute proactively to the involvement of new members, and find synergies with other building blocks where clear complementarities are identified.



The Four Areas of work

1. Develop capacities to facilitate the effective engagement of countries in South-South and Triangular Cooperation.

Southern countries have demonstrated interest and willingness to share their development experiences with their peers. However, more support to strengthen the capacities of countries to effectively engage in South-South and Triangular Cooperation is required.

Therefore, partners will work together to:

- 1.1. **Conduct a mapping exercise** of current policy forums, institutional models and mechanisms for addressing SSC and TrC, including their priority areas, suggested actions, countries and organizations involved, among others.
- 1.2. **Produce a Menu of Practices and a Set of Referential Guidelines** for South-South and Triangular Cooperation with the support of the large CoP gathered around the “South-South Opportunity”. This process will build on the TT-SSC's Good Practices Paper, other studies and similar initiatives proposed at the regional level (NEPAD, SEGIB, CDDE, PIFS, etc.) with active participation of national, regional and global communities and networks of academia and practitioners.
- 1.3. **Implementation at country, regional and local levels.** Members of the building block will define a number of cases for the voluntary implementation of the Menu of Practices and the Set of referential guidelines, seeking regional balance and considering the different levels of development of partners.

2. Promote “learning activities” from Middle Income countries and other key Southern partners.

There is need for a better understanding and more systematic learning from the development experiences, particularly, from emerging economies, Middle Income Countries and key development partners.

Partners will work together to **foster knowledge sharing activities around key development challenges** in order to learn and adapt the experiences, institutional arrangements and successful initiatives put in place by MICs and other development partners.

3. Improve the access to and information available on the mechanisms for knowledge sharing and other services provided by multilateral organizations.

It has been demonstrated that multilateral and regional organizations can play a key role in South-South and Triangular Cooperation, particularly as brokers of knowledge and facilitators of exchanges. However, the information on the mechanisms created by multilateral and regional organizations is still very limited and fragmented.

Partners will work together to **provide better information and facilitate access to regional and global South-South and Triangular knowledge-sharing platforms**, and other brokering services available in regional and multilateral institutions.

A **web portal and regional fairs** have been considered as alternatives for carrying out these exchanges, which should be guided by existing good practices on how to scale up knowledge sharing for development, including those adopted by G-20 members in the Cannes Summit 2011. By connecting the G-20 and the Busan agendas, partners of this BB will contribute to strengthening global partnerships for development.

4. Work towards a monitoring and evaluation framework around the contribution of SSC and TrC to global development goals.

Much has been learned around the practices and processes of SSC and TrC, with valuable key lessons for the countries and organizations engaging in these programs and initiatives. Actions made in the context of this agenda need to be monitored, assessed and evaluated in order to maximize their impact on global development goals.

With a view to 2015, SSC partners will **develop capacities and work together towards a results-oriented approach with a clear evaluation framework and shared commitments**, closely linked to the framework to be provided by the Global Partnership for Effective Development Cooperation to emerge after the Busan HLF-4. This framework will focus on 'results' and 'complementarity', taking into account long-term development processes, as well as on the development goals at the country and regional levels. It will be consistent with the principle of “global light and country heavy.”

IV. The partners and their roles

The SSC agenda has gained traction due to the interest and energy of dozens of partner countries, both low and middle-income, as well as bilateral, multilateral and regional development partners, academia and CSOs who believe in its potential to tune the global development architecture into the multi-polar world. At the same time, the south-south process is building bridges and complementarities with the Capacity Development Agenda, adding value through successful country-led experiences and models.

Key partners have joined along the process. There is already a group of more than 20 countries and organizations committed to participate in the implementation of this Building Block in a post-Busan scenario, while new partners continue endorsing the initiative. From these, a core group of countries and international organizations have contributed to finalize this proposal to be formally presented during the Busan HLF-4.

The table below shows the partners that have already joined the building block proposal. It is expected that the group continue to grow as the HLF-4 approaches and afterwards:

| | | | |
|------------|-----------|--|--|
| Bangladesh | Indonesia | Asian Development Bank, ADB. | Pacific Islands Forum |
| Chile | Japan | Caribbean Community Secretariat, Caricom | Pan-American Health Organization, PAHO |
| Colombia | Korea | Inter-American Development Bank, IDB | United Nations Development Program, UNDP |

| | | | |
|-------------|---------|--|----------------|
| El Salvador | Mexico | La Francophonie | The World Bank |
| Ghana | Spain | New Partnership for Africa's Development, NEPAD. | European Union |
| Honduras | Germany | Organization of American States (OAS) | |
| Bolivia | Perú | | |

Some members of the building block are committed to take part at various sessions during the Busan HLF-4 to address SSC and TrC related issues. During the Thematic and Plenary session, Ministers and Heads of delegations participating are expected to express their support and views on the implementation of this proposal.

The opportunity for countries and organizations to join will remain open. As the areas of interest for SSC and TrC of stakeholders are highly diverse, this proposal will offer room for various stakeholders to engage at different levels and in particular activities.

Beyond government representatives, a broad network of academic institutions and SSC communities of practice will provide support to the activities resulting from the implementation of this building block.

IV. Timetable

Creation of a core group to finalize the proposal, October 17-21.

Presentation by the Colombian Government, of a unified proposal October 24

Second draft with comments received, November 1

Submit a draft proposal to HLF-4 Secretariat, which will be added to list of key documents for HLF-4, November 4

Core Team Videoconference, November 9-16

Presentation of the Building Block during the Busan HLF-4, November 29-December 1.

Breakfast to further discuss governance and coordination arrangements, November 30, 2011

Meeting to agree on governance and implementation arrangements, January 30, 2012



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ANNEX

Key Questions

Since 2009, the TT-SSC has held a series of workshops and meetings to examine a number of key questions around SSC and TrC, in a broad process that involves policy-makers, practitioners and academia. These discussions have contributed to the generation of a large body of evidence supporting this BB proposal. These questions remain central to the implementation of proposal and require further discussion and study.

SSC in the global development architecture

1. What is the contribution of South-South and triangular cooperation to the global development agenda? Which are its main challenges and opportunities?
2. What should be the role and contribution of Middle Income Countries and other emerging countries interested in sharing their development experiences and solutions as full-fledged pillars of the global development architecture?
3. What should be the role of private sector, academia and civil society in the design and implementation of SSC initiatives?

Drawing and learning lessons from the analytical work for Horizontal Partnership

1. How can SSC contribute to enrich principles for development cooperation in the evolving global development architecture?
2. How can development actors around the world engage in “Horizontal Partnerships”? How to promote long-term associations based on trust, equity and mutual learning?
3. How can Triangular Cooperation be promoted in a more effective manner to serve as a strategic and practical bridge between traditional aid and SSC?
4. Which guidelines should be followed to improve the quality of Triangular Cooperation initiatives?
5. How to measure the progress of the SSC agenda? What capacities are needed to enhance the transparency and accountability of SSC initiatives?
6. How to develop guidance to boost complementary strengths while defining common responsibilities and differentiated commitments among development partners?
7. How can multilateral organizations contribute to scale up SSC and TrC?

SSC and TrC as drivers for capacity development

8. How to share knowledge and learn from the development experiences of other countries in a systematic and effective way? How can the holders of Southern development knowledge be connected? What could be the role of multilateral organizations on this matter? Does triangular cooperation have a specific role to play in sharing knowledge?
9. How to identify and address capacity needs (institutional, organizational and human) at the country and local levels to scale up SSC and Triangular Cooperation? How to improve information, document better and measure results of SSC experiences?



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