

South-South cooperation and the SDG era

South-South cooperation has played an important complementary role in achieving the MDGs, and is poised to contribute even more to the SDGs. Goal 17, “Revitalize the global partnership for sustainable development,” calls for enhanced South-South and triangular cooperation in science, technology and innovation, and capacity building. South-South modalities are also well suited to the implementation of measures of the Paris Agreement, particularly in terms of regional cooperation and coordination.

As the 2030 Agenda provides guidelines for action by national institutions, and the Paris Agreement for national commitments, South-South cooperation is positioned as an effective instrument for sharing knowledge, engaging in policy dialogues, exchanging experiences and mutual learning.

While South-South cooperation institutions and exchanges adapt to the SDG era, preserving their strategic focus on promoting autonomy, resilience and structural change will prove a vital strength.

An evolution of South-South development cooperation

Through a series of milestones that spanned from the 1955 Bandung Asian-African Conference, an alternative view to traditional North-South development cooperation emerged. The development cooperation experiment began after World War II, against the stark ideological backdrop of the Cold War. Conceived in a North-South mindset, development cooperation led to the creation of bilateral aid agencies and multilateral development finance institutions, both of which provided financial resources and technical assistance subject to conditions.

From the very beginning, countries of the South stressed self-reliance and the importance of their collaboration “on the basis of mutual interest and respect for national sovereignty ... in the form of: experts, trainees, pilot projects and equipment for demonstration purposes; [and] exchange of know-how.”¹ From Bandung arose, in 1961, the Non-Aligned Movement (NAM) and, through the Cairo Conference of 1962, the Group of 77 and United Nations Conference on Trade and Development (UNCTAD) in 1964, addressing economic integration and cooperation among

There is no formal or common definition of “South-South cooperation”. The term is often used to entail political, cultural and economic exchanges between Southern countries, enterprises and civil society organizations, including in capacity support, trade, investment and technology. South-South cooperation is largely built on broad-based partnerships, solidarity and mutual interest.

The Addis Ababa Action Agenda acknowledges the longstanding principles and distinctive attributes of South-South cooperation. Along with the 2030 Agenda for Sustainable Development, it welcomes the increased contribution of South-South cooperation to poverty eradication and sustainable development. It underscores the potential of South-South cooperation in strengthening, among others: capacity building; knowledge sharing; resource mobilization and development effectiveness; international tax cooperation; sustainable production and consumption patterns; and science, research, technology and innovation.

By tracing the evolution of South-South development cooperation, this issues brief seeks to contextualize the distinct attributes and strengths that can be leveraged to contribute towards the 2030 Agenda and Paris Agreement.

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developing countries.² Several regional institutions are considered offspring of these earlier efforts: the African Union, the Union of South American Nations (UNASUR) the Community of Latin American and Caribbean States (CELAC), the Association of Southeast Asian Nations (ASEAN) and the South Asian Association for Regional Cooperation (SAARC).³

South-South cooperation emerged out of this strong conviction that developing countries could benefit from collaboration with each other; collective self-reliance captured the spirit of collaboration and independence of developing countries at that time.

The Buenos Aires Plan of Action (BAPA) adopted at the United Nations Conference on Technical Cooperation among Developing Countries (TCDC) in 1978 would further this. It recognized technical cooperation by developing countries as an important instrument for national and collective self-reliance to promote sustainable development in the South. The BAPA proposed 38 recommendations for action at the national, sub-regional, regional, interregional and global levels to 'create, acquire, adapt, transfer and pool knowledge and experience for [developing countries'] mutual benefit'.⁴ It identified 15 focal areas for TCDC; with stipulations for special attention to the least developed countries, the landlocked developing countries, and the small island developing states, as well as the improvement of existing institutions. Not lessening the responsibilities of developed countries, it proposed actions that would serve to complement developed countries' contributions to international development cooperation.

During the 1980s and 1990s, sovereign debt crises, market-oriented policy reforms, the creation of the World Trade Organization and the dissolution of the Soviet Union served as a backdrop for South-South cooperation. The beginning of the 1980s saw a stagnation of mutual cooperation among countries of the South, except in the Latin America region. A response to debt crises, subsequent fragmentation resulting from individual negotiations of Southern countries and structural adjustment, made for an inward-looking South. In contrast, in the 1990s processes of regional integration gained impetus and were perceived as the principal instrument for reactivating South-South cooperation.

In the 2000s, with improvements to the socio-economic prospects of several developing countries, development cooperation in the South grew, giving prominence to joint capacity building, research, technology transfer, training and educational programs. This time also marked the Havana Declaration, adopted following the first-ever South Summit of the Group of 77 in 2000,⁵ the Marrakech Framework of Implementation of South-South Cooperation in 2003,⁶ the Doha Plan of Action in 2005,⁷ the approval of three cooperation frameworks for TCDC and SSC by the UNDP Executive Board (1997-1999, 2001-2003, 2005-2007)⁸ (and subsequent transformation of the UNDP Special Unit for TCDC to the Special Unit for South-South Cooperation), and the Nairobi Outcome of the High-level UN Conference on South-South Cooperation in 2009, which would recall and reaffirm the main principles of South-South cooperation.⁹

Several additional institutions which can now be considered part of the South-South space emerged. In 1970 the Andean Finance Corporation (CAF) became the first multilateral development bank to be fully owned and controlled by its developing country members. Following the 1973 oil price shock the Organization of Petroleum Exporting Countries (OPEC) established the OPEC Fund for International Development (OFID), which, together with contributions from developed and developing countries, created the International Fund for Agricultural Development (IFAD), one of the first tripartite development cooperation agencies. Inter-regional collaboration initiatives have more recently been created, to include the Forum on China-Africa Cooperation (FOCAC), India-Africa Forum Summit (IAFS), Africa-South America Summit (ASA), Turkey-Africa Economic and Business Forum, and the BRICS partnership. South-led multilateral development banks expanded to include the Islamic Development Bank (IsDB), Asian Infrastructure Bank (AIIB) and New Development Bank (NDB). The role of national development banks also became more prominent, particularly through the China Development Bank, Export and Import Bank of China and Brazilian National Development Bank.

Prospects and challenges for South-South development cooperation

Various South-South development cooperation modalities have potential to improve the localization of internationally agreed goals, including the SDGs, consistent with context-specific demands and levels of capacity. Since the early years, these modalities have contributed to building capacity, strengthening resilience and reducing vulnerability in the global South. They are grounded in (i) mutual learning and exchange of knowledge and experience, policy dialogue, advice, and joint research; (ii) training programs and technical assistance; and (iii) financial support to projects and programs. Longstanding conceptual cleavages on what qualifies as South-South cooperation have posed challenges in documenting evidence and quantifying relevant data in this respect. With a clear sense of the basic purpose of South-South cooperation, this leaves space for developing countries to define the parameters for measuring South-South cooperation and assessing its contribution to sustainable development. This has to be led by Southern partners.

Potential comparative advantages in the ways South-South development cooperation is conducted, and how these can be improved, should be considered for fostering and complementing means of implementation. These include and are not limited to:

- » the plurality and diversity of partners and partnerships as well as multi-stakeholder approaches;
- » low transaction and implementation costs, and speed of service and project delivery;
- » greater flexibility and absence of conditionality;
- » use of national systems and capacities and demand-driven approaches;
- » a focus on mutual benefit and equality of partners and complementarity of capacities; and
- » recognition of respect for national ownership and policy space.

In connection to this, accountability to the public and beneficiaries of development projects, including marginalized groups and communities, should be prioritized. South-South cooperation should strengthen its contribution to creating an enabling environment based on multi-stakeholder partnerships, with active participation of civil society.

South-South development cooperation can play an important complementary role to North-South development cooperation in supporting the implementation of the 2030 Agenda. Several developing countries have increased their capacities to provide international development cooperation. In recent years, China, India, Turkey and Brazil have established regular intergovernmental dialogues with Africa. Furthermore, a 2015 UN-DESA Survey of 129 developing countries showed almost two-thirds of respondents provided development cooperation. It is evident that the landscape is undergoing significant change, affecting not only the scope of development cooperation but the diversity of actors.

However, the same UN-DESA survey also showed only one third of respondents had a dedicated entity responsible for South-South and triangular cooperation.¹⁰ There is thus need for existing institutions to be re-engineered and, where lacking, new institutions set up to be able to channel South-South cooperation more effectively.¹¹ This includes building capacities of government at all levels and parliamentarians - including in results-based monitoring and evaluation of development cooperation.¹²

Emerging and well established multi-stakeholder knowledge platforms and exchanges offer vehicles that can strengthen South-South development cooperation. These include those engaging national, sub-national, regional and global institutions and actors, think tanks and multilateral development banks. These platforms and exchanges are trying to address a complexity of issues; with efforts spanning all regions. Methodological advances to conceptualize South-South cooperation are being furthered by the Ibero-American Secretariat (SEGIB); peer exchange between African countries on good governance and other development issues is taking place through the African Peer Review Mechanism (APRM) established by the African Union (AU) under the New Partnership for Africa's Development (NEPAD) framework;¹³ and cooperation agreements for exchange of experts are being undertaken between the Asian Development Bank (ADB) and Islamic Development Bank (IsDB).¹⁴

Beyond advancing peer-to-peer learning, regional cooperation and integration mechanisms can provide viable avenues to mobilize means of implementation, promote policy coherence and local and regional action. This holds promise for the creation of regional clusters of cooperation in key areas such as science, technology and innovation, financing, statistics and monitoring and evaluation.

There is concrete evidence of developing countries successfully addressing multidimensional development problems common to the South. Developing countries are becoming key players in climate resilience efforts; in energy, land-use, transportation, waste, agriculture and water, and the transition to sustainable infrastructure and cities.¹⁵ Moreover, South-South development cooperation modalities are well suited for strengthening regional cooperation on adaptation, the establishment of regional centers and networks, implementing and enhancing capacity-building in developing countries as well as policy coherence and coordination around the Climate agenda. Development cooperation among the South could prove vital for scaling up and transferring replicable solutions - by the South for the South - in key areas for realizing the 2030 and Climate agenda.

¹ Final communiqué of the Asian-African Conference of Bandung, 24 April, 1955 (paragraph 2 of section on economic cooperation).

² <http://unctad.org/en/pages/gds/Economic%20Cooperation%20and%20Integration%20among%20Developing%20Countries/Economic-Cooperation-and-Integration-among-Developing-Countries-A-Brief-History.aspx>

³ <https://www.southcentre.int/question/revisiting-the-1955-bandung-asian-african-conference-and-its-legacy/>

⁴ United Nations General Assembly, 50th session, Operational Activities for Development: Economic and Technical Cooperation among Developing Countries. The State of South-South Cooperation; Secretary-General's report

⁵ Group of 77 South Summit, Declaration of the South Summit, Havana, Cuba 10-14 April 2000.

⁶ The High-level Conference on South-South Cooperation, held in Marrakech, Morocco, 16-19 December 2003 adopted the Marrakech Declaration; <http://www.g77.org/marrakech/Marrakech-Declaration.htm>

⁷ [http://www.g77.org/southsummit2/doc/Doha%20Plan%20of%20Action%20\(English\).pdf](http://www.g77.org/southsummit2/doc/Doha%20Plan%20of%20Action%20(English).pdf)

⁸ Evaluation of UNDP Contribution to South-South Cooperation, New York, Evaluation Office, United Nations Development Programme (UNDP), December 2007.

⁹ <http://ssc.undp.org/content/dam/ssc/documents/Key%20Policy%20Documents/Nairobi%20Outcome%20Document.pdf>

¹⁰ http://www.un.org/en/ecosoc/qcpr/pdf/qcpr_2016_pc_survey_report.pdf

¹¹ 5th Biennial High-level Meeting of the Development Cooperation Forum: Official summary prepared by the President of ECOSOC; <https://www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/dcf/2016-dcf-officialsummary.pdf>

¹² Ibid.

¹³ <http://siteresources.worldbank.org/WBI/Resources/213798-1286217829056/mayaki.pdf>

¹⁴ <https://www.adb.org/documents/adb-idb-partnership-and-cofinancing-guide>

¹⁵ https://unfccc.int/files/resource_materials/application/pdf/ssc_ndc_report.pdf

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