

## DCF Argentina High-level Symposium

### South-South and Triangular Cooperation for Achieving the 2030 Agenda Building Innovative and Inclusive Partnerships

San Martín Palace, Buenos Aires, Thursday 7 September 2017

#### Concept Note for Session III [02:30 PM – 04:00 PM, Libertador Room]

##### The Role of Multilateral Development Banks in South-South cooperation

Multilateral Development Banks (MDBs) support projects, programmes and policies for sustainable infrastructure, climate efforts, energy, agriculture, industrialization, science, technology and innovation, as well as financial inclusion and financing of micro, small and medium-sized enterprises. Acting in close collaboration with other stakeholders, MDBs help address gaps in trade, transport and transit-related regional infrastructure, helping to connect vulnerable countries and communities within regional networks. They foster regional and sub-regional integration, enhance the participation and integration of small-scale industrial and other enterprises into global value chains and markets. They are also active agents in promoting climate resilience, by supporting national, sub-national and regional efforts to achieve long-term adaptation; mobilizing international and bilateral funds; and fostering the interchange of knowledge and lessons.

As such, MDBs, play three important roles in international development cooperation, covering both financial and non-financial aspects, namely: (i) mobilizing financial resources for development; (ii) supporting capacity building, institutional development, knowledge dissemination and technical assistance; and (iii) localizing internationally agreed goals.

During the past two decades MDBs have undertaken initiatives to support South-South development cooperation programmes, particularly through capacity building and localization of internationally agreed goals. MDBs support institutional and operational development in partner countries, broker knowledge, develop knowledge exchange tools, support knowledge exchange communities and promote regional integration. They provide critical resources to finance complex lending operations, support member countries in emergency situations, provide international and regional public goods, and engage in special projects.

MDBs are actively engaged in collaborative relations between themselves, exploring complementarities, providing technical assistance to one another, and carrying out joint projects. Gradually, the more than 30 MDBs operating at present are evolving towards a system of multilateral development finance institutions that could enhance their overall effectiveness. Indeed, knowledge sharing initiatives, dialogues on exchange experiences, policy research projects, compiling and disseminating statistics, joint training programs, direct support of science and technology research, and mechanisms to promote collaboration to address common problems are among some of the instruments currently used by MDBs.

There is considerable scope for MDBs to boost their quantity, quality and effectiveness in international development cooperation and South-South cooperation in particular, since Southern led multilateral institutions have the potential to establish a novel modus operandi of development finance that is based on principles such as horizontality, mutual benefit, and non-imposition of conditionalities. Stressing their development role, the Addis Ababa Action Agenda outlines priority areas where MDBs hold comparative advantage, and suggests ways through which they could boost their contribution. For instance, MDBs are called to establish a process through which they could examine their own role,

scale and functioning to enable them to adapt and be fully responsive to the sustainable development agenda.

In the run-up to both the 2018 High-level Meeting of the Development Cooperation Forum and the Second United Nations High-level Conference on South-South Cooperation to be held in 2019, the DCF Argentina High-level Symposium will explore “South-South and triangular cooperation for Achieving the 2030 Agenda. Building innovative and inclusive partnerships”.

Session III of the Symposium brings a multi-stakeholder approach to the role of the MDBs: their distinctive features, especially the South-led, and their comparative advantages in the South-South development cooperation space.

**Focus Questions:**

- What are some of the distinctive financial and nonfinancial contributions of MDBs to South-South development cooperation?
- How are the MDBs addressing the knowledge and information asymmetries of the global South, and helping to inform economic policy and norm-setting?
- How are MDBs engaging substantively in dialogues and relevant development frameworks in partnership with Southern countries?
- What are some of the key challenges that MDBs face and what adjustments are needed to boost their efforts in localizing the SDGs in the South-South development cooperation space?

**Format**

90 minute-moderated interactive discussion, featuring brief presentations by speakers.