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# DEVELOPMENT COPERATION REVIEW

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## **Innovating Triangular Cooperation**



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The UN and the OECD-DAC definitions of TrC dismiss innovative models emerging from the South itself. ver the years, Triangular Cooperation (TrC) has been attracting considerable attention of practitioners and policy makers of development cooperation agencies both in the North and in the South. Various arguments explain this growing attention.

First, the economic and financial crisis of 2008 negatively affecting many countries of the North impacted development assistance budgets forcing agencies to seek new forms of engagement. Similarly, Southern countries' funding capacity may sometimes be insufficient to diffuse their knowledge to other developing countries. TrC would, therefore, be a win-win option for Northern and Southern countries alike, if complementary to traditional development assistance.

Second, the rise of the South and the more prominently the role that the Southern countries have started to play in development cooperation added an important political dimension to the debate. TrC represented a tool of dialogue with countries engaging in South-South cooperation at the technical level and policy spaces, based on their advantage as intermediaries in countries where the North has difficulties to engage with.

Third, the technical advantages of TrC are well known: combination of established development cooperation practices from the North with the Southern knowledge and technology lead to lower costs and delivery of greater development impact. According to UNDP (2004), "in order to maximise their financial, logistical and technical resources, [developing] countries can ask for the support of a Northern donor as a third partner."

Views expressed are personal.

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These arguments have been emphasised over the past decade in global fora like the United Nations Global South-South Development Expo, the Development Cooperation Forum, the Busan High Level Forum on Aid Effectiveness and the High-Level Meeting of the Global Partnership for Effective Development Cooperation (GPEDC), the Policy Dialogue on Triangular Cooperation, and the High-Level Meeting on Country-led Knowledge Hubs.

They were also reflected in a way TrC has been treated in recent agreements related to financing for development. The Doha Declaration on Financing for Development, paragraph 49 reiterated "...support for South-South, as well as triangular cooperation, which provides much needed resources to the implementation of development programmes."

Some international agreements went further to highlight the technical advantages of TrC. The Busan High Level Forum (2011) Outcome Document states that "South-South and triangular cooperation have the potential to transform developing countries' policies and approaches to service delivery by bringing effective, locally owned solutions that are appropriate to the country contexts."

The need for mutual learning is also acknowledged in the Accra Agenda for Action (paragraph 19): "We recognise the importance and particularities of South-South cooperation and acknowledge that we can learn from the experience of developing countries. We encourage further development of triangular cooperation." The GPEDC High Level Meeting in Nairobi provided some practical recommendations in its outcome document saying that "...donors could contribute with their know-how in development assistance, for example in the design and evaluation phases of triangular cooperation projects". It also noted that "practical challenges include partners' coordination, beneficiary countries' involvement, and limited scale and scope of triangular cooperation projects".

Finally, the 2030 Agenda on Sustainable Development calls for "enhanced exchanges between constituencies engaged in North-South, South-South and Triangular Cooperation to promote knowledge sharing."

Despite broad political support and wide understanding of its advantages, TrC is believed to be largely underutilised. Unclear definitions and limited knowledge of innovative models have been among the factors that stymied the growth of TrC.

#### Working Definitions of Triangular Cooperation

TrC, also referred to as "triangular development cooperation", "trilateral cooperation", "trilateral assistance", "tripartite cooperation" and "tripartite agreement" still lacks a consensed definition. International organisations like the United Nations and the Organisation for Economic Cooperation and Development (OECD) have adopted operational definitions for TrC emphasising - sometimes conflicting – purpose and models.

According to the UN, TrC refers to "Southern-driven partnerships between two or more developing countries, supported by a developed country(ies) or multilateral organisation(s), to implement development cooperation programmes and projects."

The UNDP further defines triangular cooperation "as a way of fostering development by leveraging the best features of cooperation between developing countries with the assistance from developed countries" (UNDP, 2004).

The UN ECOSOC (2008) in turn interprets TrC "as OECD/DAC donors or multilateral institutions providing development assistance to Southern governments to execute projects/ programmes with the aim of assisting other developing countries."

Presented at the OECD Development Assistance Committee (DAC) Policy Dialogue on Development Cooperation (Mexico City, 28-29 Sept 2009), the OECD-DAC definition for TrC is "partnerships between DAC donors and pivotal countries to implement development cooperation programmes/projects in beneficiary countries" (BMZ, 2013).

This definition reflects the practice of large OECD-DAC donors like Germany. According to GIZ, TrC involves three partners where beneficiary countries receive support from emerging economies, or 'new donors' (pivotal countries), while traditional donors contribute their longstanding expertise.

The UN and the OECD-DAC definitions converge on the need of a developed country or multilateral organisation as one of the nodes of the relationship. They also converge on the purpose of the cooperation (support to programmes and projects) and the role of developed countries and multilateral

organisation as financiers of such programmes and projects.

But there is also divergence in the definitions of TrC adopted by the UN and the OECD-DAC. Whereas the UN looks at TrC as a Southern-driven partnership supported by a developed country or multilateral organisation, the OECD-DAC seem to reproduce the donor-recipient relationship and it is often criticised for placing traditional and pivotal countries (or "new donors") on one side and beneficiary countries on the other.

### Innovative Models of Triangular Cooperation

The UN and the OECD-DAC definitions of TrC dismiss innovative models emerging from the South itself. First, the word "triangular" in TrC preempts that one of the partners, like in a triangle, is in a top position in relation to the other two. In this sense, the word "trilateral" would be preferred as it emphasises the principle of horizontality in development cooperation.

Against this backdrop, TrC could take the form of a partnership among three or more Southern countries for their mutual benefit (Abdenur, 2007; Correa, 2010; and Vazquez, 2013). This is the case of the India, Brazil and South Africa Facility for Poverty and Hunger Alleviation (IBSA Fund) to benefit other developing countries, particularly the least developed countries. Or, Southern countries can also be contributors of cooperation to Northern countries (Ayllón, 2012), in line with the notion of universality of Agenda 2030 on Sustainable Development.

OECD-DAC countries and multilateral organisations have also been engaged in innovative forms of TrC. Japan's commitment towards capacity development in Southern countries has taken concrete form in the establishment of Centres of Excellence like the "Better Hospital Service Programme", which benefits African countries via Sri Lanka and Tanzania with JICA playing the role of an honest broker and providing a platform for knowledge exchange.

The World Food Programme formulated a corporate policy for South-South and triangular cooperation whereby it promotes TrC by supporting countries to utilise technical assistance available in WFP's network of Centres of Excellence; promoting regional peer learning networks; incentivising the use of SSC and TrC modalities.

There are various examples of triangular cooperation in the context of regional blocks and organisations such as ASEAN (UNOSSC, 2018). In Africa, TrC models were instrumental in launching regional innovations hubs in various fields - providing local solutions to the countries of the region (BMZ, 2011). Indeed, many innovative models of TrC can be grounded on regional cooperation, for example first, between the regional development bodies within a region, such as ASEAN and SAARC in Asia, spearheaded by a donor (from North or South) playing the facilitator's role, as well as models of TrC between regional bodies. Southern-led international financial institutions, mainly the recently created New Development Bank (NDB), can influence the debate on triangular cooperation offering new and innovative models.

With over USD5 billion approved for financing of sustainable infrastructure projects in member countries, and one regional office in Africa and soon another in Latin America, the NDB could become a vehicle for the implementation of projects that promote regional integration in Latin America and Africa in the future (Vazquez, forthcoming). It could also become an "incubator" of strategies and applied knowledge on sustainable infrastructure and development by supporting a South-South Platform to generate and share technologies and common solutions for the achievement of the 2030 Sustainable Development Agenda.

#### Conclusion

Triangular cooperation can contribute to the implementation of the 2030 Agenda for Sustainable Development by helping countries deliver better development outcomes and strengthening dialogue between the North and the South. The Second UN High-Level Conference on South-South Cooperation in Buenos Aires gave a considerable boost to scaling up triangular cooperation.

The ongoing debate on the definition of triangular cooperation is important for translating political commitment into operational reality. There is a need to make sure that the Southern views are fully taken on board in the discussion on the definition. This discussion also needs to consider the variety of formats of triangular cooperation and encourage innovation.

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