

# Triangular Cooperation

## *Opportunities, risks, and conditions for effectiveness*

BY GUIDO ASHOFF

TRIANGULAR COOPERATION is a relatively recent mode of development cooperation. It normally involves a traditional donor from the ranks of the OECD's Development Assistance Committee (DAC), an emerging donor in the South, and a beneficiary country in the South.<sup>1</sup> It has received increasing international attention because of particular advantages it is said to provide. At the same time, it poses several risks that could further complicate international development cooperation. To make full use of its potential, it is important to conceive it as a learning process, to identify the interests of the

three parties involved, and to apply the internationally agreed principles of aid effectiveness. When these principles are applied, triangular cooperation can enrich international development cooperation.<sup>2</sup>

### Actors and factors

TRADITIONAL DONORS engaged in triangular cooperation make up roughly two thirds of the DAC membership with Japan at the top of the list, followed by Germany, Spain, Canada, and the rest. In addition some multilateral development banks such as the Asian Development Bank, and UN



Indonesian agricultural expert Joko Ptioyo (R), who has been dispatched by Jakarta on behalf of the Japan International Cooperation Agency, talks with a local farmer in Antsirabe, Madagascar in January 2010.

agencies such as the United Nations Development Program (UNDP), also take part. Emerging donors participating in triangular cooperation can be found in Africa (Egypt, Kenya, Morocco, South Africa, Tunisia), Asia (China, India, Malaysia, the Philippines, Singapore, Sri Lanka, Thailand, Vietnam) and Latin America (Argentina, Brazil, Chile, Colombia, Mexico). Beneficiary countries are typically the less advanced countries many of which have long benefited from South-South cooperation.

Over the last two years, triangular cooperation has occupied an increasingly prominent place on global development agendas and in policy documents such as the Bogotá Statement and the 2010 UN Secretary General Report on development cooperation. To assess practices on the ground, the OECD engaged in a pilot mapping exercise (Yamashiro Fordelone 2009) and European donors have started a reflection process on triangular cooperation in the context of aid effectiveness (Schulz 2010).

Triangular cooperation consists mainly of technical cooperation aimed at capacity building and takes place mostly in the same region where both the emerging donors and beneficiary countries are located. It is often based on previous cooperation between traditional and emerging donors, that is considered successful and worth transferring to third countries. In other cases, emerging donors have gained experience in specific areas (for example, Brazil in the fight against HIV/AIDS), the transfer of which to third countries is supported by traditional donors. The scale of triangular cooperation is difficult to ascertain since reliable statistics do not exist. Overall it appears to represent only a small proportion of aid flows to beneficiary countries. Case studies suggest that triangular cooperation is characterized by a large number of mostly small projects resulting in a rather fragmented landscape.

## Opportunities and risks

TRIANGULAR COOPERATION is perceived to have a number of advantages as outlined in the box. It should be borne in mind, however, that the objectives and interests of the three actors involved may not necessarily coincide.

The current debate on triangular cooperation has highlighted four risks:

- Lowering quality standards if emerging donors still do not have the experience and capacity to provide high-quality development assistance,
- Neglecting the alignment with beneficiary countries' needs, priorities, and strategies if triangular cooperation is primarily designed to reflect the experiences and preferences of the traditional and emerging donors,

OPPORTUNITIES ATTRIBUTED TO TRIANGULAR COOPERATION BASED ON THE OBJECTIVES OF THE PARTICIPANTS		
TRADITIONAL DONORS	EMERGING DONORS	BENEFICIARY COUNTRIES
<p>Increasing aid effectiveness: transferring successful aid experiences to third countries (scaling up)</p> <p>Increasing aid efficiency: reducing costs by contracting experts from emerging donors</p> <p>Creating synergies: using the comparative advantages of emerging donors</p> <p>Substituting aid programs in third countries for programs by emerging donors</p> <p>Phasing out development cooperation with emerging countries in an orderly manner</p> <p>Building the capacity of development cooperation agencies in emerging donor countries to increase the capacity of the international development cooperation system</p> <p>Sensitizing new donors on the principles and procedures of effective aid as agreed in the Paris Declaration on Aid Effectiveness and the Accra Action Plan</p>	<p>Scaling up South-South cooperation by involving traditional donors and thereby mobilizing additional resources</p> <p>Improving the quality of South-South cooperation by involving traditional donors and transferring successful experience</p> <p>Using the experience and the support of traditional donors to build the capacity of their own development cooperation agencies</p> <p>Increasing their visibility as emerging donors</p> <p>Promoting regional cooperation and integration</p>	<p>Increasing the value for money of development assistance by contracting less expensive experts from emerging donors instead of experts from traditional donors</p> <p>Benefiting from the similarities between emerging donors' experiences and their own needs as they look for more appropriate solutions to development problems</p> <p>Benefiting from the linguistic and cultural similarities with the emerging donors</p> <p>Keeping more easily in touch with experts from emerging donors after completing the projects (experts from traditional donors could be out of reach once projects are completed)</p> <p>Promoting regional cooperation and integration</p>
 <p><b>Chinese Foreign Minister Yang Jiechi meets with his Malawian counterpart Joyce Banda in 2009, as part of an African tour.</b></p>		
<p><i>Source: Ashoff (forthcoming); Altenburg and Weikert (2007); UNDP (2009); Yamashiro Fordelone (2009).</i></p>		

- Rising transactions costs since three actors (instead of two as in traditional cooperation) have to adopt a common approach, agree on common standards and procedures, and create the legal, institutional, and budgetary conditions required for successful implementation, and
- Increasing fragmentation of the international aid architecture due to the growing number of actors, further complicating harmonization of approaches, standards, and practices.

## Promoting triangular cooperation and ensuring its effectiveness

THE POTENTIAL AND RISKS of triangular cooperation were vividly discussed during the Bogotá High Level Event on South-South cooperation and are reflected in the case stories produced by the Task Team on South-South cooperation. In summary, the following points are crucial:

- Identify the common interests of the three actors involved: Triangular cooperation is not an end in itself. It can reach its potential and generate added value only if it is based on shared interests and commitment.
- Apply the principles of the Paris Declaration: Although the implementation of the Declaration is itself a multifaceted learning process (implying that agreed modalities may be subject to revision), its five principles remain valid and should be fully applied to triangular cooperation. Ownership by the beneficiary countries is key. Traditional and emerging donors should harmonize their approaches and align them with the beneficiaries' needs, priorities, and systems. Managing for results is a joint challenge for the three actors and forms the basis for mutual accountability.
- Make use of complementarities: Triangular cooperation should aim at projects that reflect comparative advantages and are based on successful experience gained in previous cooperation.
- Ensure sufficient management capacity: Triangular cooperation places additional demands on the management capacity of all the actors. This applies particularly to emerging donors. Their role as development partners requires them to develop the capacity to manage the whole project cycle together with the beneficiary countries. Traditional donors can make an important contribution by supporting the capacity building of aid agencies in emerging donor countries.
- Evaluate and exchange experiences, identify lessons learned, and distill good practices: Case studies show that the aforementioned risks do matter in practice. Yet they are not cast in stone. Keep in mind that there are learning curves. To climb these curves, evaluation of triangular cooperation and mutual learning are crucial.

## Does triangular cooperation constitute a major change in international development cooperation?

THE SCALE OF triangular development cooperation is still rather limited compared to traditional North-South cooperation.

tion or South-South cooperation. Yet it is a reflection of and impetus for change in international development cooperation. It results from a growing number of countries losing their status as recipients of traditional development assistance, and becoming donors. At the same time it offers traditional donors the opportunity to scale up their aid programs by joining forces with the new donors and to phase out development cooperation with them by supporting them as they take on the donor role. Triangular cooperation, if properly implemented, can accelerate this process and thereby enrich the system of international development cooperation. 

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### Endnotes

- 1 In this case it is North-South-South cooperation. Triangular cooperation may also take the forms of South-South-South cooperation or North-North-South cooperation.
- 2 Consistent databases are not available. For overviews based on preliminary or partial surveys see ECOSOC (2008), Yamashiro Fordelone (2009), UNDP (2009), SEGIB (2009), and Task Team on South-South Cooperation (2010).

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