

South-South Knowledge Exchange

A natural agenda for Latin America and the Caribbean

BY AMBASSADOR ALFONSO QUIÑONEZ

SOUTH-SOUTH COOPERATION (SSC) is a longstanding form of collaboration which has recently gained momentum, especially in the Americas. Two key elements explain the growing importance of SSC, its new modalities, and their contribution to triangular cooperation schemes.

First of all, most countries in Latin America and the Caribbean (LAC) are middle-income countries (MICs) and many have developed strong institutional capacities and public policies. They have overcome challenges by sharing and learning from their experiences, and have supported development efforts in other countries of the region facing similar challenges. Sharing knowledge across borders has promoted solidarity and cooperation, which is flourishing in LAC.

Beyond finance

LAC HAS UNDERSTOOD THAT cooperation among peers implies the transfer of technical and human capacities, which are at least as important as financial resources. The region has been an incubator for new ideas, new financial instruments, and new approaches to development, such as budget support and programmatic lending. Export guarantee schemes, foreign trade financing, and public-private partners for infrastructure have expanded the range of financial instruments. And cooperation has enriched the debate around new socio-economic approaches such as equality of opportunity for indigenous groups and community participation. The negative side effects of this diversity and innovation have been a greater fragmentation of international aid due to the increas-



Mexican president Felipe Calderon (C) speaks during a joint press conference with his counterparts from Honduras—Manuel Zelaya (L)—and Guatemala—Alvaro Colom (R)—during the 2008 Central American Integration System (SICA) Summit on Climate Change and the Environment.

ing participation of new actors (non OECD countries, private foundations, social responsibility programs, and emerging donors), as well as the underutilization of some financial instruments (grants, regular loans, soft concessional loans). Empirical analysis of the impact of these new mechanisms has also been limited.

The Organization of American States recently identified 10 case studies on South-South and triangular cooperation as part of an exercise led by the Task Team on South-South Cooperation (TT-SSC). These cases illustrate a range of development experiences, including: promotion of small tourism enterprises, labor administration, the sharing of social protection strategies, disaster mitigation, and metrology. These are a small sample of a much larger set of experiences that should be documented, evaluated, and shared with other countries.

Scaling up these experiences in the region could foster synergies among countries and help expand the practice of South-South and triangular cooperation. This is imperative, since the influx of nonreimbursable cooperation to the region is shrinking, not only relative to other regions but also to other external public and private sources.

South-South Knowledge exchange can alleviate the effects of the recent financial downturn and make development cooperation more effective. Identifying and collecting evidence of successful experiences can strengthen the Southern voice and ensure greater visibility and influence for LAC in the global discussions on aid effectiveness. This needs to happen quickly.

The Paris Declaration has stimulated interest in SSC, helped focus the debate, and identified what else needs to be done. However, the implementation of the principles and commitments made in the Paris Declaration and ratified in the Accra Agenda for Action has been less than expected.

A shifting paradigm

MORE THAN OTHER REGIONS, Latin America and the Caribbean has remained relatively detached from international discussions on cooperation for development following the Paris Declaration and the Accra Agenda for Action. Several factors explain why:

- LAC's decreasing importance as an international cooperation recipient,
- A decline in nonreimbursable cooperation in the region relative to other forms of international development financing, such as foreign investment capital flows and trade, among others,
- An increased use of nonconventional cooperation mechanisms (South-South and triangular),
- Minimal involvement of LAC countries during the initial development of the Paris Declaration,
- The Paris Declaration's emphasis on low-income countries, and
- Regional disengagement from the global process to promote aid effectiveness, which does not entirely correspond with the middle-income perspective of many LAC countries, that emphasizes mutual and shared commitments in *cooperation effectiveness*.

However, despite its diversity, LAC countries have many important common characteristics with respect to cooperation for development:

- Sustained economic growth in many LAC countries in recent years prior to the financial crisis has left them relatively less affected than countries in other regions.
- Many countries of the region are classified as middle-income economies.
- Social inequalities persist. In fact, the LAC region has the greatest inequality of income distribution, a situation that was aggravated by the financial crisis.
- Many donor countries are inclined to favor countries with higher relative levels of poverty (mainly in Asia and Africa) and this has led to a reduction in the flow of nonreimbursable cooperation to LAC.
- Because of their recent development successes many LAC countries are able to provide technical cooperation to other countries in the region, which has contributed to an expansion of South-South, horizontal, and triangular cooperation.

Pulling together in the region

THESE RECENT TRENDS point to the need for regional dialogue and mechanisms to facilitate the process and engage all cooperation actors with which the Organization of American States (OAS) has been working, through its Executive Secretariat for Integral Development (SEDI). A little over a year ago, during the Inter-American Council for Integral Development (CIDI) special meeting of high-level cooperation authorities, the OAS launched the Inter-American Cooperation Network (CooperaNet) as a communication mechanism for all cooperation actors and institutions in the hemisphere.

Recently, within the framework of the High Level Event on South-South Cooperation and Capacity Development held in Bogota, Colombia the OAS/SEDI, in coordination with the Colombian government and other institutions (Organisation for Economic Co-operation and Development, United Nations Development Program, Economic Commission for Latin America and the Caribbean, Inter American Development Bank, Ibero American General Secretariat) convened and facilitated the Regional Dialogue on Cooperation Effectiveness in Latin America and the Caribbean, on March 26, 2010 in Bogota, Colombia. Some 100 individuals, including representatives from 20 member states, 7 other countries, and 24 international institutions, nongovernmental organizations and representatives of civil society, participated in the dialogue.

Two issues were analyzed during the dialogue: cooperation effectiveness in the region and how to ensure effective cooperation in Haiti's reconstruction.

These discussions highlighted the importance of this type of space for exchanging information among cooperation actors about the processes and implementation efforts taking place at the regional and international levels to promote cooperation effectiveness. This type of forum also allows the region

to take a more active and coordinated role in international discussions and to influence and submit joint proposals to the Fourth High Level Forum on Aid Effectiveness to be held in 2011 in Seoul, Korea.


The key conclusions of the regional dialogue were:

- Latin America and the Caribbean have a great deal to contribute to the world debate on cooperation. It is important for them to have a more active and coordinated role, particularly in the events leading up to the meeting in Seoul.
- These fora are important for cooperation actors to exchange information and coordinate their cooperation processes. Regional dialogue spaces like the ones offered by the OAS, particularly CooperaNet, can be valuable in this regard.
- It is necessary to promote regional workshops to:
 - Acquire more knowledge on the processes that take place in the international context at various levels and with different actors.
 - Exchange lessons learned on the implementation of the principles of the Paris Declaration and the Accra Agenda for Action.

LAC countries face an enormous challenge in articulating their views on cooperation effectiveness for the Korea HLF because these vary so much throughout the region. This dialogue is meant to illustrate the diversity and richness of ideas in the region. It is about better understanding the different interests, and helping to construct a new design for international cooperation that unites all actors and values their diversity.

The OAS continues to be committed to the process and has recently joined the Steering Committee of the Task Team for South-South Cooperation (TT-SSC) which it will support by bringing the Aid Effectiveness Agenda to a subregional level through a series of workshops and high-level forums for South-South knowledge exchange.

We are pleased that other partner institutions are also taking a leading role in this regional process, including the Ibero-American General Secretariat (SEGIB) launched in 2008, and the Ibero-American Program for the strengthening South-South cooperation, which responds to regional institutional capacity-building needs.

Finally, effective cooperation depends on more than resources; it requires new institutions as well as changes of mindset, culture, attitude, and focus. This can only be achieved by building capacity among all cooperation actors, by involving academia, and by focusing clearly on collecting evidence that can inform high-level policy making. 

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scale up and foster learning, analysis, and practices through the continents' institutions and to link with existing processes. This greatly supports Africa's current efforts to promote evidence-based decision making by investing more in science- and technology-based knowledge. Pitching innovation as a driver of development, special efforts are made to systematically identify, harness, and use existing capabilities by sharing knowledge and learning at all levels. Therefore, while focusing on aid effectiveness and SSC, the Africa-wide Platform is also an important mechanism to mobilize for capacity development action.

Conclusions

INCREASINGLY, Africa is investing in knowledge exchange to support national and regional development. With strong commitment, the continent will continue to build coalitions and alliances to promote Southern-led cooperation at the intra and interregional levels. This opens up opportunities to further strengthen mutual learning initiatives so that African know-how, good practices, and innovations can continue to contribute to global development thinking and actions. The Africa Platform, as an intra-African process, for instance, will be instrumental to the Continent's coherent preparation for the 2011 Busan HLF4.

If Africa is to be globally competitive, greater investment in knowledge and learning will be required. Knowledge-based approaches to resolving Africa's development challenges should be strengthened, with research and innovation helping to expand the SSC policy frontiers. Strategically designed institutional arrangements can facilitate the participation of multiple stakeholders, thus fostering the formation of social capital by enhancing SS networks for the exchange of knowledge.

Existing regional frameworks are critical in guiding and framing the knowledge and learning architecture in Africa. Only by grounding innovations in the realities of the continent can development investments achieve their desired results. Mutual learning, particularly in SSC exchanges, is a capacity development process that should be based on, as well as stimulate, local capacities and institutions. Ultimately, the success of this new paradigm depends on the establishment of new partnerships to foster more inclusive, equitable, and sustainable forms of development cooperation. 

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