

## Chapter 2

# UNDP AND SOUTH-SOUTH COOPERATION SINCE 1996

### 2.1 HISTORY

In response to mounting pressure for a new economic order during the 1970s, and in support of the principle of collective self-reliance among developing countries, United Nations General Assembly resolution 3251 of 4 December 1974 established a Special Unit for Technical Cooperation among Developing Countries (TCDC) within UNDP. In 1978, following a conference on TCDC, the Buenos Aires Plan of Action proposed a set of guiding principles and a plan of action for promoting and implementing TCDC, with specific recommendations for the United Nations development system.

The High-Level Committee on the Review of TCDC was established in 1980 as the highest policy and oversight body under and reporting to the General Assembly. In addition to its responsibilities as the global and UN system-wide advocate, catalyst and resource mobilizer of South-South cooperation, the Special Unit for South-South Cooperation<sup>16</sup> was made the substantive secretariat for the HLC.

The 1995 report, *New Directions for Technical Cooperation among Developing Countries*, included a strategic orientation for TCDC. It focused on high priority areas, identifying 22 developing nations as ‘pivotal countries’ (now designated ‘prime movers’) for the promotion of regional and interregional TCDC, and stressing the need for

operational integration between technical and economic cooperation among developing countries. The report defined pivotal countries as “developing countries that, by virtue of their capacities and experience in promoting South-South cooperation, are positioned to play a ‘lead’ role in the promotion and application of TCDC, by sharing their capacities and experience with other developing countries in their region or in other regions.”<sup>17</sup>

The Marrakech Framework, adopted at the 2003 High-Level Conference on South-South Cooperation, invited the Special Unit to work with developing countries in order to formulate and help implement programmes—and invited UNDP to mainstream a South-South dimension in all its activities. The Framework also called for the strengthening of the Special Unit as a focal point for South-South cooperation within the UN system.

The *New Directions for Technical Cooperation among Developing Countries* report, Marrakech Framework, and subsequent General Assembly resolutions and HLC decisions point to emerging challenges and opportunities in South-South cooperation, as well as to the need for the UN system to address them.

### 2.2 MANDATE

Following the mandate emanating from BAPA Recommendation 34, UN General Assembly

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16 The name was changed from Special Unit for TCDC to Special Unit for South-South Cooperation in 2003 by the HLC (HLC/TCDC 13/2).

17 See [http://tcdc1.undp.org/faqDetail.aspx?faq\\_id=6](http://tcdc1.undp.org/faqDetail.aspx?faq_id=6). The 22 pivotal countries are Brazil, Chile, China, Colombia, Costa Rica, Cuba, Egypt, Ghana, India, Indonesia, Malta, Malaysia, Mauritius, Mexico, Nigeria, Peru, the Republic of Korea, Senegal, Thailand, Trinidad and Tobago, Tunisia and Turkey.

resolution 33/144 of 19 December 1978 (subsequently elaborated by the HLC and the UNDP Executive Board), charged the Special Unit with:

- Coordinating the activities of UNDP in the field of South-South cooperation with those of the participating and executing agencies, as well as with regional commissions;
- Preparing modifications in the policies, rules and procedures of UNDP, in accordance with relevant decisions of the General Assembly and the UNDP Executive Board, in order to improve capacity to implement South-South cooperation initiatives and assist, at their request, other UN organs and organizations in this regard;
- Assisting governments to undertake South-South cooperation programmes and activities, in order to achieve the objectives of South-South cooperation;
- Developing new ideas, concepts and approaches for promoting technical cooperation among developing countries, and for this purpose, arranging for the necessary studies and analyses to be undertaken and submitted to the governments for consideration and approval in the HLC;
- Expanding, strengthening and promoting the efficient use of the Web of Information for Development (WIDE, previously known as INRES or information referral system) and establishing appropriate linkages with national and regional information systems and focal points;
- Generating financial and other support for South-South cooperation activities; and
- Servicing the HLC by preparing progress reports on the implementation of the Buenos Aires Plan of Action for HLC consideration.

This mandate of the Special Unit involves two sets of functions:

1. As the secretariat of the HLC; and
2. As the UNDP and UN system-wide organizer, mobilizer and coordinator of South-South cooperation.

The governing body of the Special Unit is the HLC, comprised of representatives of all countries participating in UNDP. The Special Unit has reported to HLC biennially since 1980. The Unit also reports to the Executive Board of UNDP and the General Assembly annually, preparing all substantive reports<sup>18</sup> and providing support to the office of the chairman of the Group of 77 and China. In addition, the Special Unit coordinates the system of national South-South focal points and organizes the annual United Nations Day for South-South Cooperation (19 December).

Regular resources for the Special Unit are provided by UNDP (see discussion in section 2.3.1.1, Special Unit Resources and Capacity), and the Unit mobilizes additional resources to conduct its activities. It also manages funds allocated to carry out South-South cooperation, including the United Nations Fund for South-South Cooperation, the Perez-Guerrero Trust Fund of the Group of 77 and China, and the India-Brazil-South Africa Facility for Poverty and Hunger Alleviation.

BAPA and subsequent UN resolutions require that South-South cooperation focuses particularly on the needs of economically or geographically disadvantaged developing countries (Recommendation 28 of BAPA). These include, for example, the least developed countries, landlocked developing countries, Small Island Developing States and the entire region of Sub-Saharan Africa. Recent work has stressed private-sector development and business

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<sup>18</sup> These include the report of the Secretary-General on the State of South-South Cooperation on 19 December of each year, as well as the report of the UNDP Administrator on the implementation of the South-South Cooperation Framework every three years.

collaboration for development. Further, the *New Directions* report emphasized the importance of economic cooperation in South-South cooperation and proposed that the Special Unit focus on strategic initiatives likely to have a major impact on a large number of target countries.

General Assembly resolution 60/212 (2005)<sup>19</sup> invited the HLC and the UNDP Executive Board to consider measures to further strengthen the Special Unit within UNDP. Positioning the Unit as a separate entity and a focal point for South-South cooperation in the UN system was intended to enable it to carry out its full responsibilities, in particular through mobilization of resources for the advancement of South-South cooperation.

The UNDP Executive Board decision presented in E/2004/35 (2004) stated that South-South cooperation was to be considered a driver of development effectiveness and was to be incorporated in the multi-year funding framework.<sup>20</sup>

More recently, the Executive Board, in its decision 2007/32 (2007),<sup>21</sup> reiterated that UNDP should promote South-South cooperation by stepping up efforts to seek South-South solutions in all its focus areas as a way to enhance exchange of best practices and support among developing countries, regardless of their levels of development. It also required the UNDP Administrator, in consultation with the Executive Board, to establish measurable targets for the Special Unit for South-South Cooperation. Finally, the decision emphasized that UNDP should take a human development-based approach to its South-South cooperation programming.

## 2.3 PROGRAMMATIC ACTIVITIES

### 2.3.1 SPECIAL UNIT FOR SOUTH-SOUTH COOPERATION

Since 1997, three cooperation frameworks approved by the UNDP Executive Board have provided the framework for the work of the Special Unit. The Unit reported that the Third Cooperation Framework was prepared in consultation with UNDP units and country offices, organizations of the UN system, member states, development partners and business executives. To the extent possible, the framework incorporated the views expressed by members of the UNDP Executive Board.<sup>22</sup> Progress on implementation of the framework is presented to the Executive Board annually and reported to the HLC biennially.

The First Cooperation Framework for TCDC (1997–1999) was based primarily on the analysis and recommendations contained in the 1995 report, *New Directions for Technical Cooperation among Developing Countries*. The programme focused on:

- Support for sustainable human development through TCDC, covering poverty eradication; environment; production and employment; and trade, investment and macroeconomic management; and
- The promotion of TCDC, including policy formulation and coordination; capacity enhancement for the management of TCDC; and information and support services.

The Second Cooperation Framework for Technical Cooperation (2001–2003) had two strategic focuses:

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19 Resolution adopted by the General Assembly during its 60th session (December 2005) on South-South cooperation: [www.un.org/Depts/dhl/resguide/r60.htm](http://www.un.org/Depts/dhl/resguide/r60.htm).

20 United Nations Economic and Social Council, 2004. Executive Board of the UNDP/UNFPA, Report of the Executive Board on its work during 2004, ECOSOC Official Records, Supplement #15, E/2004/35, September 2004.

21 [www.ppccc.com/execbrd/word/SSC15L5.doc](http://www.ppccc.com/execbrd/word/SSC15L5.doc), 5 October, 2007.

22 Third Cooperation Framework for South-South Cooperation (2005–2007), First Regular Session, 20–28 January 2005, New York.

1. Mobilizing global support for South-South cooperation; and
2. Acting as a catalyst for the development of innovative models of South-South technical cooperation for partnering, resource mobilization and mainstreaming.

The Third Cooperation Framework for South-South Cooperation (2005–2007) accordingly identified three policy and operational support platforms as the main building blocks of South-South cooperation. These include:

- **Policy dialogue and promotion:** A platform to support policy dialogue and follow-up to major intergovernmental conferences, with particular emphasis on mainstreaming South-South cooperation as a driver of development effectiveness;
- **Fostering public-private partnerships:** A platform to help create an enabling environment and public-private partnership mechanisms for sustained intra-South business collaboration and technology exchanges; and
- **Southern development knowledge exchange:** A platform to support a more robust information system for managing and sharing development knowledge throughout the South.

Special Unit support to HLC, Group of 77 and China, as well as resource mobilization, is listed under Platform 1. Table 2.1 summarizes the number of projects and resource distribution

among the three platforms. It should be noted that 11 of the 29 projects under the third platform have budgets of under \$200,000 for the three-year period.

The strategy for implementing the Third Cooperation Framework involves six elements:

1. Establish three flagship programmes to accelerate South-South cooperation;
2. Assist countries to develop policies and mobilize global support for South-South cooperation;
3. Strengthen collaboration with other UNDP bureaux and units, country offices, and regional centres;
4. Strengthen partnerships with governments, civil society and the private sector, as well as with the UN development system to generate more impact;
5. Establish intraregional and interregional mechanisms to ensure the smooth implementation of the South-South programme; and
6. Remodel and expand the capacity of WIDE to provide an online venue enabling partners and other users to interact and exchange knowledge and information.<sup>23</sup>

Three major programmes, each representing a respective operational platform, have been initiated. The Special Unit is working towards the creation of a global South development forum to bring together governments, private

<b>Table 2.1. Distribution of Special Unit Projects under the Third Cooperation Framework</b>		
	<b>Number of Projects</b>	<b>Total Resources (US\$ Millions)</b>
Platform 1	14	14.4
Platform 2	9	12.8
Platform 3	29	15.8

Source: Special Unit for South-South Cooperation, UNDP

<sup>23</sup> Third Cooperation Framework for South-South Cooperation, 2005–2007; presented to the Executive Board, First Regular Session, January 2005, DP/CF/SSC/3/Rev.1/.

sectors and civil societies of developing countries working on South-South cooperation. To promote public-private partnerships, Special Unit launched Technonet Africa in 2004. The flagship programme for the third platform is the upgrade of the WIDE network, a medium for knowledge sharing and exchange of experience.

To assist intergovernmental bodies in developing policies on South-South cooperation, the Special Unit has:

- Monitored progress on the implementation of the Buenos Aires Plan of Action on TCDC and the *New Directions* strategy for TCDC;
- Conducted related research and prepared reports, submitted biennially to the High-Level Committee for South-South Cooperation; and
- Published the development journal *Cooperation South* (produced through 2005) and other publications including *Sharing Innovative Experiences*.

To assist countries in developing policies and mobilizing global support for South-South cooperation, the Special Unit collaborated with country offices in order to provide advisory services to countries such as Tunisia and Egypt. The Unit also conducted needs assessment studies in 15 countries of the Economic Community of West African States, five members of the East African Community and 16 members of the Caribbean Community to strengthen South-South focal point networks in the three subregions.

To advance policy dialogue, the Special Unit focused on the issue of remittances. It co-sponsored a ministerial conference on the development impact of remittances in least-developed countries to create a supportive environment for safe and cost-effective mechanisms for transfer of remittances. The Special Unit, with the Bureau for Development Policy (BDP) and the Rockefeller Foundation,

organized the first UNDP roundtable on remittances in 2006 as an input to the high-level dialogue on migration and remittances held in September 2006 in New York.

To improve collaboration with other UNDP bureaux, units, country offices and regional centres, the Special Unit has: posted two advisors in the UNDP Regional Centres in Bangkok and Johannesburg; jointly held roundtables on remittances; jointly with UNDP Brazil, initiated a creative economy and technology transfer programme in Brazil; and consulted with relevant bureaux to identify appropriate partners for regional initiatives. The UN Day for South-South Cooperation on 19 December was an opportunity for networking with UNDP and other agencies in the UN system.

To strengthen partnerships with governments, civil society and the private sector, as well as with organizations of the UN system, the Special Unit developed the South-South Global Asset and Technology Exchange System, the purpose of which is to transfer technology among developing countries and mobilize resources for underfunded development and infrastructure projects. In the longer term, the Special Unit will be working towards a Global South Development Forum. The *Creative Economy Report 2007* will be produced in collaboration with the United Nations Conference on Trade and Development, the United Nations Educational, Scientific and Cultural Organization and the World Intellectual Property Organization.

To establish intra- and interregional mechanisms to implement the South-South programme, the Special Unit used the Africa Rice Initiative to link West African countries to information on new rice varieties. The Unit also oversaw the global facility for disaster risk management at the community level, implemented by the Regional Centre in Bangkok.

A major initiative under the second platform of the Third Cooperation Framework is Technonet

**Table 2.2. Resources for the Special Unit (US\$ Millions)**

	1997–2001 <sup>a</sup>		2001–2003 <sup>b</sup>		2004–2007 <sup>c</sup>	
	Core	Non-Core	Core	Non-Core	Core	Non-Core
Total	15.0	10.0	7.4	9.7	14.6	13.3
Per annum	5.0	3.3	3.7	4.9	4.9	4.4

Sources: a. UNDP, 1999. *20 Years of South-South Partnership Building, An Assessment of Technical Cooperation among Developing Countries (TCDC), 1978–1998*. Special Unit for TCDC. July; b. Rahman, S., 2003. *Evaluation Report on the Second Cooperation Framework of TCDC (2001–2003)*. Abacus International Management, LLC. 10 March; c. UNDP, 2007 *Report on the Implementation of the Third Cooperation Framework for South-South Cooperation (2005–2007)*. Report of the Administrator to the UNDP Executive Board, Annual Session, 2007.

Africa,<sup>24</sup> which promotes small and medium-sized enterprises (SMEs) in partnership with Technonet Asia, an Asian network with a 30-year history in promoting SMEs. Launched in 2004 in Johannesburg, South Africa, the project has an allocation of \$4.3 million, or over 14 percent of the Special Unit's total resources. It is active in seven pilot countries, including Cameroon, Ghana, Mozambique, Nigeria, South Africa, Tanzania and Uganda.

Thus far, outputs have included: inputs to policy frameworks to establish SME development banks; studies on the SME environment in Africa; setting up networks of participants; a symposium on SME financing; a study tour and training session for African policymakers and business leaders to Malaysia, Thailand and Vietnam on how to start and manage an SME bank; and training of trainers on entrepreneurship development, in partnership with Japan International Cooperation Agency.

Among concrete outputs are: a clearer understanding of the SME environment among policy-makers in Africa; training of trainers in South Africa; and action by governments in pilot countries on policy and institutional reforms and financial discipline.

The Special Unit launched a new version of the WIDE network in December 2006. This benefited from knowledge sharing and exchanges of experience at a WIDE roster users' workshop

sponsored by UNDP. In addition, training sessions on the use of WIDE were held in the Regional Centres of Bangkok and Sri Lanka. Partners built 40 rosters using the updated roster platform.

### 2.3.1.1 Special Unit Resources and Capacity

Table 2.2 shows the Special Unit funding allocated from UNDP regular (core) resources, as well as resources mobilized by the Special Unit under the three cooperation frameworks. Annual resources available to the Special Unit have declined in real terms over the past decade, though the nominal value has not changed. Regular (core) resources available to the Special Unit have also declined. As UNDP resources declined in the late 1990s and early 2000s, there was a policy shift regarding the allocation of 0.5 percent of UNDP programme resources to the Special Unit. To ensure predictability, the Executive Board fixed support for the Special Unit at \$3.5 million for the programming period 2003–2007 (Decision 2002/1), raised to \$4.5 million under the current UNDP Strategic Plan (2008–2011).

Managing funds and cost-sharing provides nearly half of the funds available to UNDP (\$13.4 million for the cycle), of which contributions from developing countries to tsunami relief efforts are \$3.5 million.

The Special Unit budget is comparable to that of the Human Development Report Office

<sup>24</sup> Report on the Implementation of the Third Cooperation Framework for South-South Cooperation (2005–2007). Annual Session 2007, 11–22 June 2007, New York, DP/2007/30.

**Table 2.3. Summary of Resources Managed by the Special Unit for South-South Cooperation, 2005–2007**

Source	Amount (thousands US\$)
Regular	14,586
United Nations Fund for South-South Cooperation - China	1,700
Developing-country contributions for tsunami recovery and reconstruction	3,510
India-Brazil-South Africa Facility for Poverty and Hunger Alleviation	3,056
Perez-Guerrero Trust Fund	977
Cost-sharing - Japan	3,101
Cost sharing - South Africa	945
<b>Total</b>	<b>27,875</b>

Source: Report on the Implementation of the Third Cooperation Framework for South-South Cooperation (2005–2007), Report of the Administrator, presented to the UNDP Executive Board, Annual Session, 2007 June, DP 2007/30

**Table 2.4. Special Unit Staffing**

	Number of People				
	Director	Professional (P and L)	SSA	General Service	Total
1998	3 <sup>a</sup>	7 <sup>a</sup>	12	7	29
2007	4 <sup>b</sup>	7	14 <sup>c</sup>	4	29

Sources: Sources: 1998 data from *South-South Partnership Building, An Assessment of Technical Cooperation among Developing Countries (TCDC)*, 1978–1998 (UNDP Special Unit for TCDC, July 1999); 2007 data from the Special Unit

Notes: a. Director, Deputy Director, Senior Advisor on Resource Mobilization; b. Additional L6 (Executive Secretary to the Office of the Chairman of the G-77); c. Combined professional and general service category

(\$8.6 million in 2006), which is responsible for producing an annual Human Development Report and providing technical support to countries for production of National Human Development Reports.

Since 1998, the total number of Special Unit staff has remained unchanged (see Table 2.4).

### 2.3.2 UNDP

To support and promote South-South cooperation, UNDP has made commitments including:

- In the 1992–1996 programme cycle, UNDP identified TCDC as one of its six priority programmes and allocated special programme resources to Special Unit activities;
- In response to the HLC request made during its 10th session, UNDP allocated 0.5 percent of overall programme resources (estimated at \$15 million) to the Special Unit under the 1997–1999 cooperation framework (see the section on UNDP Resources and Capacity);

- The UNDP Administrator also announced that, as a matter of corporate policy, TCDC would receive first consideration in UNDP programming. In addition, TCDC would be mainstreamed into all UNDP programmes and projects, and support to TCDC would become one of the core responsibilities of UNDP Resident Representatives in the 1997–1999 programme cycle;<sup>25</sup> and
- The UNDP 2004–2007 Multi-Year Funding Framework (MYFF) recognized South-South cooperation as one of the six drivers of development effectiveness to be consciously integrated into UNDP programming.

UNDP pursues South-South cooperation in global, regional and country programmes. Global initiatives come under the global programme managed by BDP. In countries, regional initiatives are part of UNDP regional programmes and are designed and implemented by the regional service centres with oversight from the regional bureaux. In programme countries, UNDP responds to needs reflected in the United Nations Development Assistance Framework (UNDAF) since 2002, and its efforts are guided by the country programme document (CPD, known previously as the country cooperation framework). In the decentralized architecture of UNDP, country offices are primarily responsible for developing and implementing CPDs in close partnership with the national government. Regular resources are allocated through regional bureaux, which exercise oversight mainly on the processes involved and with limited substantive engagement.<sup>26</sup>

### 2.3.2.1 Global Programme

The global programme increases opportunities for South-South cooperation, building on: economic advances; institutional, human and technological

capacities; and Southern partnerships. It is expected to function in liaison with the Special Unit through the Third Cooperation Framework.

An explicit objective of the global programme is “to enable developing countries to benefit from an interregional knowledge exchange and south-based experiences and learning under the priority goals of the MYFF and ensure that development assistance, advice, programme design and capacity-building efforts draw on global best practices and expertise.”<sup>27</sup> The global programme provides:

- Consultancy services to country offices;
- Targeted global projects and partnerships addressing key development issues in multiple regions and leveraging incremental non-core resources; and
- Communities of practice or knowledge sharing networks, which are managed by BDP.

An example of the South-South cooperation element in this programme is the International Poverty Centre at Brasilia. The Centre is a partner of the Institute for Applied Economic Research, which carries out policy research for the Brazilian Government. The Centre “works to promote South-South cooperation on applied poverty research and specializes in analyzing poverty and inequality in offering research-based policy recommendations and solutions.”<sup>28</sup>

Communities of practice or knowledge networks are linked to the global programme and are designed to position UNDP as a knowledge-based organization.<sup>29</sup> Knowledge networks help those working in similar practice or thematic areas to share experience and knowledge with each other. They combine electronic with face-

25 Ibid.

26 UNDP, 2007. *Evaluation of Results-Based Management at UNDP*. Evaluation Office.

27 UNDP, 2006, Annual Report: UNDP Global Programme, Bureau for Development Policy.

28 Annual Report of the UNDP Global Programme, BDP, 2006. According to the report, the Centre works with South African social policy specialists and research institutes, Chinese poverty specialists and policy makers in Mexico and Turkey.

29 Since the adoption of the first MYFF in 1999 and subsequent to the approval of the Global Cooperation Framework II, UNDP instituted the concept of ‘practices’ to enable it to provide required quality, substantive support to programme countries.

to-face communications among group members. UNDP has 22 global networks, which link UNDP offices in 166 countries.<sup>30</sup> Some operate sub-networks, and most of the regional service centres operate several regional networks.<sup>31</sup> Some are open to the public, while others are restricted to UNDP staff.

Under BDP management, the global programme has supported subregional resource facilities (SURFs), which became operational in 1999 under the 2001 change process (introduced in 1997). Nine SURFs were established<sup>32</sup> to provide policy advice and support services to country offices in transforming UNDP into a networked knowledge organization. Regional centres were established in Bangkok, Bratislava, Colombo and Johannesburg in 1997, and beginning in 2003, SURFs were integrated with the regional programmes into regional service centres.<sup>33</sup> Thematic specialists supported by the global programme work alongside colleagues from regional programmes. This arrangement maximizes the synergies of knowledge sharing and provides a formal structure for interregional exchanges of knowledge.

National Human Development Reports (NHDRs) provide an example of UNDP support that systematically harnesses South-South exchanges in routine programme activities. UNDP country offices have produced over 550 national and subnational HDRs in 130 countries, with cooperation of the host government and civil society organizations. Efforts have also been expended to integrate and use the experience of NHDRs around the globe.

The UNDP Human Development Report Office (HDRO) initiated the first national reports in 1992, and a number of countries produced NHDRs with little or no guidance from HDRO. HDR-Net was created in 1999 to pool the expertise of individuals and national teams. In 2000, a special unit in HDRO set up a Web forum to provide guidance and set quality standards. Efforts were made to institutionalize mining HDR-Net for best practices, lessons learned and summaries of network discussions, as well as for peer reviews to assure quality and incentives in the form of annual awards for outstanding reports and innovations.

The regional bureaux and the NHDR Unit now hold joint periodic regional and global workshops and training courses for NHDR teams to exchange information among and within regions. A two-way interaction between user groups and headquarters has produced effective guidance to maximize quality and impact. NHDRs are in demand around the globe and would be produced with or without support from headquarters; however, by enabling countries to share and learn from each other's experiences, UNDP global support has improved the quality, outreach and impact of national reports over time.<sup>34</sup> The modality of South-South cooperation has improved both national capacities and UNDP effectiveness.

### 2.3.2.2 Regional Programmes

UNDP regional programmes provide a platform to share best practices and draw attention to innovation and good practices. They often use

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30 **Practice networks:** governance, environment, HIV/AIDS, poverty reduction, crisis prevention and recovery; **management family networks:** finance, procurement, human resources, management, project management; **other networks:** capacity development, communications, UN coordination practice, evaluation, gender, harmonized approach to cash transfers (HACT), human development report networks (HDR-Net), MDG-Net, information and communications technologies (ICTs) for development, evaluation, human rights, local governance and the Small Enterprise and Finance Network (SemFinNet). Source: UNDP Web site; see [http://practices.undp.org/ks/docs/Global%20Networks%20Brochure\\_Nov.doc](http://practices.undp.org/ks/docs/Global%20Networks%20Brochure_Nov.doc)

31 It is estimated that there are over 300 electronic networks in UNDP; however, most of these are organized informally, without a paid facilitator.

32 The nine SURFs included three in Africa (Addis Ababa, Dakar and Pretoria), two in Asia (Bangkok and Kathmandu), two in the Latin America and the Caribbean region (Panama and Port of Spain) and one each in the Arab States (Beirut) and Europe (Bratislava).

33 The Bratislava Centre was already functioning as an integrated Regional Service Centre since 1997.

34 Sources: *Evaluation of National Human Development Report System* (UNDP, 2007), NHDR Web site and interviews with NHDR Unit.

the region's intellectual and technical resources for: research; training; extending cross-country partnerships and networking; and specific country support.

As in the global programme, regional programmes aim to address public goods and challenges, as well as to minimize negative and encourage positive spillovers across borders, in areas such as: trafficking; drugs; HIV/AIDS; disaster prevention and response; water supply and use; and environmental management. The regional programmes also enable countries to advocate collectively for equitable, transparent trade regimes and other areas of common interest.

The regional programme for Europe and the CIS emphasizes a subregional approach, focusing on development challenges and opportunities specific to smaller groupings of countries within the region. In Central Asia, UNDP focuses on sustainable trans-boundary water management. It also partners with the European Union in a trans-border early warning system in the Ferghana Valley in Tajikistan and Kyrgyzstan, in tackling cross-border trafficking in women and children, and supports democratic governance. Programming in the Caucasus countries promotes joint management of shared water and other resources. To help overcome the lingering consequences of the Chernobyl nuclear disaster, the regional programme also provides support to local communities and governments.

UNDP supports the New Partnership for Africa's Development (NEPAD), a regional effort that started in 2004. This support has helped: fund 20 studies for about \$560,000; create a roster of 3,000 African experts for recruitment of staff and consultants; revamp the NEPAD Web site; and prepare the four-year strategic plan for NEPAD.

UNDP also supports subregional institutions in pursuing South-South cooperation. A notable

example of such a partnership is UNDP support to the Association of Southeast Asian Nations (ASEAN). This partnership dates back to the inception of ASEAN in 1967. In the early 1970s, UNDP supported the first economic cooperation efforts of ASEAN by sponsoring an in-depth study lasting two years and involving 41 international experts. This effort resulted in the Kansu Report (1972), which provided the basis for subsequent cooperation of ASEAN in industrial development, agriculture and forestry, transport, finance, monetary and insurance services. In addition, the UNDP financial commitment to ASEAN subregional programmes grew from \$700,000 in the second cycle (1977–1981) to \$12.7 million in the fourth cycle (1987–1991), promoting regional cooperation in a wide range of areas, from trade and industry to finance and banking. Currently, the \$1.45 million ASEAN-UNDP partnership facility focuses on the policy issues related to regional economic integration, with a focus on minimizing the short-term adjustment costs in Cambodia, Lao PDR, Myanmar and Vietnam.

### 2.3.2.3 Country Programmes

At the country level, UNDP programmes address national priorities and are developed and implemented by country offices in close partnership with national governments. Responses to surveys and case studies show that it is common for country offices to seek solutions and expertise from countries with similar experience, often through knowledge networks or communities of practice and in some instances, through face-to-face exchanges. In these examples, South-South cooperation is a modality to identify best development practices.<sup>35</sup>

Countries may seek UNDP expertise to set up systems, institutions, policies or procedures. For instance, according to the Web site of the Brazilian cooperation agency ABC, "The UNDP country office was an important partner for the

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<sup>35</sup> Rare exceptions exist. For instance, in the case study of Barbados it became clear that the country programme itself is based on South-South cooperation, as it involves 10 island states in the Caribbean.

establishment of ABC by supporting the formation and technical capacity of its staff and building capacity for management and information to follow projects.” A recent example can be found in Egypt, where the Special Unit and the country office, with the Government of Egypt, explored ways in which the country could expand its South-South cooperation.

In other instances, countries have sought UNDP assistance to reach out to other developing countries, as demonstrated by the case studies of China and Thailand. However, electronic surveys also highlight that countries sometimes wish to pursue South-South cooperation by themselves, without assistance from UNDP or the United Nations system.

Thailand provides an example of UNDP responding to a request from a pivotal country to support South-South cooperation. The 2007–2011 UNDAF for Thailand has been renamed the United Nations Partnership Framework (UNPAF) to reflect the commitment of the Government of Thailand to enhancing its global partnership for development, in accordance with the eighth MDG. The UN system is committed to a UNPAF outcome whereby Thailand will expand its South-South cooperation engagements by 2011 and deliver technical and financial support to other countries in Asia and beyond through:

- Increased policy dialogue, technical cooperation and sharing of experiences between Thailand and selected countries in Asia, Africa and Latin America;
- More effective aid coordination and delivery; and
- Enhanced Thai contribution to the global aid effectiveness agenda.

The UNDP country partnership in Thailand has identified the Thailand International Partnership for Development as one of four thematic areas. Accordingly, UNDP supports Thailand in:

- Disseminating knowledge about Thailand’s development experience beyond its borders;
- Encouraging policy dialogue on new modalities and opportunities for Thailand’s development cooperation with countries in the region and beyond, focusing especially on post-conflict countries such as Afghanistan, Sri Lanka and Timor Leste, and African nations in the areas of HIV/AIDS and SMEs.

The Special Unit and UNDP also work with civil society organizations in advancing South-South cooperation. According to the electronic survey, 37 percent of country offices reported supporting South-South cooperation through non-governmental organizations. A UNDP initiative that deals directly with non-governmental organizations is the Global Environment Facility (GEF) Small Grants Programme (SGP). SGP supports non-governmental and community-based organizations in 95 developing countries towards environmental conservation while generating sustainable livelihoods. More than 7,000 grants have been awarded through SGP, averaging around \$20,000 each. While UNDP does not regard SGP as South-South cooperation, the programme has stimulated considerable exchange of experience among grassroots organizations in developing countries.

#### **2.3.2.4 UNDP Resources and Capacity**

With the exception of the resources allocated to the Special Unit, it is not possible to track the resources allocated to South-South cooperation in UNDP, because there is no separate budget line for South-South cooperation. Country offices are expected to use TRAC-1 resources<sup>36</sup>

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36 Targets for Resource Allocation from the Core (TRAC) scheme earmarks 55 percent of UNDP core resources for country programmes and projects. Countries are given access to this common pool (referred to as TRAC 1) through three tiers of funding. The first tier (30 percent), designated as TRAC 1.1.1, is immediately assigned to countries. The second tier (20 percent), or TRAC 1.1.2, is assigned by region, for subsequent assignment to countries on the basis of merit. The third tier (6.6 percent), TRAC 1.1.3, is for countries in special development situations, such as those designated as least developed, or those undergoing natural disasters or economic/political crises. (source: UNDP Web site: <http://www.undp.org/cpr/disred/english/wedo/wedo.htm>)

or to mobilize resources through cost-sharing with third parties or host governments. The annual expenditure of the global programme in 2006 was \$26 million, about 10–20 percent of BDP expenditure and nearly 50 percent of its workload.<sup>37</sup> The combined expenditure under the five regional programmes was \$100 million.<sup>38</sup>

### 2.3.3 WORKING TOGETHER

The mandate of the Special Unit includes coordinating South-South cooperation matters within UNDP. It also requires the Special Unit to work with UNDP country offices, regional centres and headquarters, as well as to contribute to UNDP discussions and decision-making processes related to South-South cooperation. UNDP has the responsibility to: strengthen the Special Unit to help it promote and mainstream South-South cooperation in UNDP programmes; orient UNDP activities to support South-South cooperation; and ensure adequate funding of the Special Unit.

Institutional links complementing the operations of UNDP and the Special Unit for South-South Cooperation have evolved over the years. The three cooperation frameworks since 1997 formalized collaborative arrangements. The Second Cooperation Framework, for instance, proposed to develop a strategy to mainstream South-South cooperation within UNDP as part of its efforts to mainstream South-South cooperation in the UN system. Specific guidelines were to be developed for integrating South-South cooperation systematically into UNDAF, country and regional cooperation frameworks, as well as into the Strategic Results Framework. The Special Unit was to play a key role in devising a methodology that would capture the results of country and regional support to South-South cooperation that were to be reflected in the results-oriented annual reports. Qualitative and quantitative parameters were to be developed for the purpose. The third cooperation framework proposed that

the Special Unit would work in internally matrixed arrangements with UNDP country offices, regional service centres and headquarter units to mainstream South-South cooperation in UNDP. One of its proposals was to develop oversight instruments consisting of clear guidelines on how to mainstream South-South cooperation in UNDP, including the country cooperation frameworks, common country assessments, UNDAF and the UNDP global programme. Other proposals included developing monitoring and evaluation tools, and educational and training instruments.

This evaluation noted that the director of the Special Unit was previously a member of the senior management team of UNDP, but is not a member of the operations group that replaced it.

The Special Unit also provides guidelines to promote South-South cooperation in UNDP. The document *Technical Cooperation among Developing Countries* was prepared by the Special Unit in 1978 for inclusion in the *UNDP Programming Manual. Guidelines for the Review of Policies and Procedures Concerning TCDC* was first issued by the Special Unit in 1997 and has since been in use by UN organizations, serving as a guide on South-South cooperation. This document was updated (TCDC/13/3) and finally endorsed by the High-Level Committee on South-South Cooperation and the General Assembly in 2003. In addition, the Special Unit has recently provided inputs to the UNDP 2008–2011 Strategic Plan on South-South cooperation.

There are a number of examples of joint activities by the Special Unit and UNDP. For example, the Special Unit collaborated with BDP to organize the first roundtable on remittances in 2006. WIDE, the flagship initiative under the Third Cooperation Framework, was recently revamped in collaboration with BDP and UNDP regional service centres. As part of this process, WIDE

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37 UNDP, 2006. *Global Programme Annual Report*. Bureau for Development Policy.

38 Data from ATLAS snapshot and evaluations of the regional cooperation frameworks for Africa, Asia and Latin America.

was linked to UNDP and other UN networks and, importantly, made available to institutions outside the system through roster managers. The Special Unit also consults with the regional bureau when identifying appropriate partners for regional initiatives. The role of the Special Unit in reviewing new country programme documents is another opportunity to institutionalize collaboration. As part of their oversight functions each year, the five regional bureaux review approxi-

mately 25 new country programme documents before the documents are submitted to the Executive Board for approval. During the review, the bureaux invite relevant headquarters units to join project appraisal committees, providing the Special Unit with an opportunity to comment on South-South cooperation aspects. Participation of the Special Unit in these committees is *ad hoc*; not all regional bureaux regularly invite and receive inputs from the Special Unit.