

## Chapter 3

# KEY FINDINGS

The evaluation recognizes that UNDP programmes' effectiveness in promoting and supporting South-South cooperation depends upon: the priority each country places on South-South cooperation; the demand from programme countries to involve UNDP; and UNDP capacity to provide support. The governmental expert panel convened by the UNDP Administrator in 1989 (HLC decision 6/4) identified impediments to realizing the full potential of TCDC in countries and the UN system. These included: lack of awareness of its potential, usefulness and applicability; lack of effective focal points; lack of policies and procedures; and shortage of funds. The evaluation finds that these impediments persist in UNDP and the Special Unit.

The Special Unit and UNDP have undertaken a number of initiatives in South-South cooperation in the mandated areas of: sensitization and advocacy; promoting South-South cooperation in developing countries; developing and supporting knowledge platforms; coordination within the UN system; and resource mobilization. However, the electronic survey showed that only 19 percent of UNCT members and 22 percent of UNDP Resident Representatives felt that the overall contribution of UNDP to South-South cooperation over the past five years had been effective or very effective.

The remainder of this chapter sets out the findings of this evaluation in a number of facets of South-South cooperation.

### **UNDP is well positioned to promote South-South cooperation.**

UNDP—with a presence in 166 countries, non-partisan status, a vast store of development

knowledge, and ability to bring partners together—is well positioned to mobilize multi-lateral support for least-developed countries, Small Island Developing States and landlocked developing countries.

Given its mandate and role in coordinating UN system-wide development activities in each country, UNDP is well situated to work closely with other UN agencies and countries of the North in pursuit of South-South cooperation. The possibility of undertaking both effective advocacy and dissemination of experiences and lessons learned places UNDP in a unique position to promote South-South cooperation.

### **UNDP has substantial experience with South-South cooperation; however, shared understanding is limited.**

UNDP has accumulated a wealth of relevant experience in the course of helping countries address development challenges. For example, the evaluation of the GEF SGP administered by UNDP shows considerable exchange of experience among developing countries. For instance, the Pakistan SGP influenced other SGPs around the world: SGP steering committees from Iran, Malaysia and India visited Pakistan, and the national coordinator of the Pakistan SGP led inception missions to Iran and Ethiopia.<sup>39</sup> UNDP knowledge networks and SURFs, now regional service centres, have provided useful platforms for interested countries to draw appropriate development practices, policies and approaches from the experience of others.

Yet UNDP often does not label—or even explicitly recognize—these activities as South-South cooperation. In UNDP Barbados, for example,

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39 GEF, 2007 'Evaluation of GEF Small Grants Programme, Pakistan Case Study'.

knowledge sharing was heavily focused on South-South cooperation; however, it was not recognized as such. Responses to the electronic survey and case studies show that many UNDP country offices use the knowledge networks to seek South-based expertise and solutions to development challenges but do not think of them as South-South cooperation.

UNDP staff do not share an understanding of what South-South cooperation means or its implications for effective UNDP development support to countries. This is confirmed by interviews with stakeholders. Outside the Special Unit, many UNDP managers were not clear on what South-South cooperation meant. Some senior staff members of UNDP held the view that South-South cooperation was primarily about UNDP using consultants from the South. During the evaluation team's missions, most meetings with UNDP and the UN country team would begin by someone asking the evaluation team to define South-South cooperation and explain what it meant. In addition, many UNDP officials in headquarters, regional or country offices were not aware of the value that South-South cooperation added to the organization's work.

### **3.1 APPROACHES TO PROMOTE SOUTH-SOUTH COOPERATION**

#### **UNDP gives South-South cooperation organizational priority but inadequate support.**

MYFF II made South-South cooperation one of the drivers of development effectiveness. Country offices are required to report annually on activities related to South-South cooperation in their results-oriented annual reports. However, this evaluation found that this high organizational priority has not translated into prioritizing South-South cooperation in UNDP programmes. MYFF II did not articulate UNDP deliverables or modalities of engagement in South-South

cooperation. Many headquarters units pointed out that there was no clear operational definition of a *driver*. In contrast, when a priority was expressed as a *service line* in the MYFF, investments were made in guidance, capacity development and tracking performance. This had consequences for UNDP operational support to South-South cooperation.

The evaluation team found no guidance material available to country offices to operationalize South-South cooperation. The UNDP *Results Management Guide* (previously known as the *User Guide* or the *Programming Manual*) lists South-South cooperation as a core value, yet offers no guidance on how to operationalize it.<sup>40</sup> The only guidance available is the *Revised Guidelines* (TCDC/13/3). While these guidelines helped clarify the principles and provided useful indicators for UN system-wide efforts on South-South cooperation, this evaluation found the document to be of limited relevance to country offices' programming needs.

#### **Individual initiatives, not institutional direction, drive UNDP efforts.**

The individual initiatives of Resident Representatives or bureau directors, rather than systematic organizational policies and guidance, determine the extent to which UNDP programming reflects commitment to South-South cooperation—whether learning from and strengthening ongoing South-South cooperation activities or promoting demand for South-South cooperation in developing countries. An informal South-South cooperation network of 18 UN Resident Coordinators and their respective focal points in Asia, Africa, the Arab region and Latin America was recently created by initiatives of committed Resident Coordinators. The network shares information and complements each office's South-South cooperation capabilities. However, this is not an organization-wide phenomenon.<sup>41</sup> Ten of the 23 draft country programme documents

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40 This Results Management Guide became effective in January 2006. There were many different versions prior to this date, and even this version was being updated at the time of this evaluation.

41 Letter to the Administrator from the Resident Coordinator of Egypt; facts verified by the team.

submitted for approval by the Executive Board in 2006 did not refer to South-South cooperation as an area to promote and encourage. Of the 24 countries in the region serviced by the Bureau of Latin America and the Caribbean, 11 did not report any activity under South-South cooperation in their 2005 results-oriented annual reports.

When national priorities are made clear, country offices respond. For example, 20 of 22 UNDP offices in pivotal countries have explicit or implicit commitment to South-South cooperation activities in their current country programmes. The Mali case study found that, while country offices respond to requests for South-South cooperation, it remains a low priority in country programmes due to a lack of an explicit cooperation objective and assigned resources. In the absence of clear directives, making South-South cooperation an explicit objective of the UNDAF or CPD depends upon the enthusiasm of a particular Resident Representative. The evaluation finds the UNDP approach is reactive rather than proactive, *ad hoc* rather than systemic.

Electronic survey results reinforce this view, indicating that 35 percent of UNDP respondents felt that the mandate for South-South cooperation was only “somewhat explicit.” Eight percent thought that South-South cooperation was not an explicit mandate, and 71 percent of UNCT respondents stated that promotion of South-South cooperation was not a UNDAF objective.

**Cooperation frameworks for South-South cooperation have well-defined strategies, but the approach is largely supply-driven.**

The cooperation frameworks clearly demonstrate that the Special Unit has developed a vision and strategy to promote South-South cooperation. The three platforms of the Third Cooperation Framework provide a useful basis for the strategic orientation of South-South cooperation initiatives. This framework builds on the previous two, in order to provide much-needed continuity for

the existing programmes. Yet many stakeholders shared the concern of the Director of the Special Unit regarding the “urgent need” to consolidate “numerous aspirations into a manageable agenda.”<sup>42</sup> The Special Unit handled 21 projects starting in 2005 under the Third Cooperation Framework (2005–2007), of which only five have been completed. Most of the projects are small, with budgets between \$100,000 and \$300,000.

In conformity with the Special Unit’s mandate, the Third Cooperation Framework emphasizes that the interests of least-developed countries, landlocked developing countries and Small Island Developing States should be an area of special focus. The programme profile of the Special Unit clearly indicates that its activities were concentrated in the poorer regions and around the African region. However, there was no evidence of systematic efforts to identify the collective demands of the target countries, as mandated by the *New Directions for Technical Cooperation among Developing Countries*. Needs assessments—such as the needs assessment for the SMEs in Africa or the consequences of implementing regional treaties in Economic community of West African states, East African Community and Caribbean Community countries—were conducted on an *ad hoc* basis, without clear rationale for prioritizing the choices.

**The results-based approach to South-South cooperation is weak.**

UNDP has been unable to build a credible body of evaluative evidence on its contribution to South-South cooperation. During country missions, the evaluation team found no inventories, tracking or monitoring of South-South cooperation efforts or evaluations of these activities. In the electronic survey, for instance, 90 percent of UNDP Resident Representatives reported that in the past five years, their country offices had not conducted an evaluation of South-South cooperation. The evaluation found that, while activities were reported in the results oriented annual reports,

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42 Director of Special Unit for South-South Cooperation, 2005.

outcomes were not. The evaluation did not find any monitoring or evaluation tools to assess outcomes related to South-South cooperation made available to UNDP country offices. Regular information on South-South cooperation was not required at any level, nor were managers at any level held accountable for South-South cooperation. The absence of systematic documentation within UNDP makes it difficult to assess its contribution. To that extent, UNDP management has very limited ability to assess progress, take corrective action or devise future strategies. This, once again, reflects the low corporate priority for South-South cooperation in UNDP.

To illustrate key South-South cooperation activities and how to evaluate them, TCDC/13/13 provides a useful set of indicators to be used by the UN development system (presented in Annex 5).<sup>43</sup> Yet reports by the Special Unit to the Executive Board on the implementation of the cooperation frameworks<sup>44</sup> continue to present results in the form of activities, rather than using these indicators.

The evaluation finds that there is very limited and certainly inadequate documented evidence to make general statements about UNDP contribution to strengthening capacity. There are a few examples in which South-South cooperation has been more than inputs-driven and has strengthened institutions and capacities at the subregional, national and local levels. One recent evaluation points to the contribution of the UN Inter-Agency Project on Human Trafficking in the Greater Mekong Sub-Region.<sup>45</sup> Started in 2000, this project was part of the regional programme and aimed to reduce the severity and harm associated with human trafficking in the

subregion. It succeeded in establishing a Coordinated Mekong Ministerial Initiative against Trafficking in the Greater Mekong Sub-Region, consisting of the Governments of Cambodia, China, Lao PDR, Myanmar, Thailand and Vietnam. In addition, the project catalyzed anti-trafficking policies and activities at subregional and national levels. Visits or other forms of exchanges with ASEAN neighbours supported by UNDP have influenced reforms and innovative programmes in Lao PDR. These include the formation of the National Commission for the Advancement of Women, based on visits to the national committees in the Philippines and Vietnam.<sup>46</sup> The GEF SGP and NHDRs also provide good examples of strengthening local capacities.

### **Implementation strategy favours technical over social considerations.**

This evaluation finds that implementation strategies of the Special Unit have focused on the technical aspects of initiatives and ignored the social consequences. In identifying or designing initiatives, the evaluation found no evidence to indicate that UNDP uses either a rights-based approach, as mandated by the UN, or the sustainable human development approach, which is the mandate of UNDP itself. For instance, while promoting public-private partnership was found to be a very necessary and useful step in promoting South-South cooperation, neither the cooperation framework nor the publications of the Special Unit on this subject reveal how corporate social responsibility is addressed by initiatives under this platform.

The evaluation found no clear articulation in the Special Unit or UNDP of the goals and strategies for promoting public-private partnerships. There

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43 High-Level Committee on the Review of Technical Cooperation among Developing Countries, 2003. *Revised Guidelines for the Review of Policies and Procedures Concerning Technical cooperation Among Developing Countries*. TCDC 13/3, 13th Session, 20–27 May 2003. New York.

44 See for example, UNDP, 2007, *Report on the Implementation of the Third Cooperation Framework for South-South Cooperation (2005–2007)*, Report of the Administrator, Annual Session 2007, 11–22 June. New York.

45 UNDP, 2007. *Evaluation of Second Regional Cooperation Framework for Asia and the Pacific 2002–2006*. Evaluation Office.

46 UNDP, 2007. *Assessment of Development Results: Evaluation of UNDP's Contribution to Lao PDR*. Evaluation Office.

was even greater ambiguity on the promotion of public-private partnerships through South-South cooperation. For instance, many export promotion programmes are seen as South-South cooperation, but without adequate attention to ensuring that beneficiaries adhere to corporate social responsibility and imperatives of human development. For instance, UNDP India supported the Confederation of Indian Industries (CII) financially and administratively from 2001 to 2003. This collaboration facilitated business deals and economic linkages between CII members and other countries in the South. The India desk study showed that such collaboration ended because of inadequate planning. Stakeholder interviews in other case study countries confirm that country-level efforts on public-private partnerships are often *ad hoc*.

### **Strategies to mainstream South-South cooperation and create awareness met with limited results.**

Mainstreaming South-South cooperation as a driver of development effectiveness within UNDP and across the UN system is one of the key elements of the Third Cooperation Framework. The Special Unit contributed to strengthening global advocacy for South-South cooperation through its function as the secretariat of the HLC and made substantive contributions in order to articulate the HLC position in promoting South-South cooperation (e.g., documenting global progress in implementing the BAPA every two years for the HLC, preparing the new direction strategy for South-South cooperation). The Special Unit also provided technical assistance in facilitating dialogue in the follow-up to the recommendations of the first South Summit held in 2000, the 2003 Marrakech High-Level Conference on South-South Cooperation and the Second South

Summit of 2005. However, advocacy for mainstreaming South-South cooperation within UNDP and the UN system was not effective. The results of the six activities included in the Third Cooperation Framework under Platform 1 to mainstream South-South cooperation are presented in Table 3.1.

This evaluation finds that UNDP follow-up and outreach efforts related to South-South cooperation are weak. For example, the Macroeconomic Policies and Poverty Reduction Programme aimed to build capacity for regional policy analysis and advocate links between growth, employment and poverty reduction using research, training and advocacy. The resulting thirty studies and knowledge products benefited from South-South exchanges. The programme suffered from weak dissemination, lack of advocacy and follow-up.<sup>47</sup> As the Bangladesh experience highlights, when dissemination is actively pursued, studies are well received and reports are influential with policymakers.<sup>48</sup>

## **3.2 MAKING THE MOST OF STRENGTHS AND INSTITUTIONAL CAPACITY TO PROMOTE SOUTH-SOUTH COOPERATION**

### **UNDP has not fully utilized its knowledge base to support South-South cooperation.**

Knowledge networks are continuing to grow and are widely used by members. There were 28,997 subscribers to major networks in February 2007, compared with 8,916 in 2003.<sup>49</sup> The evaluation of the Second Global Cooperation Framework reported that the number of referrals increased from 753 to 1,992 from January 2000 to July 2003.<sup>50</sup> During the same time period, the number of best-practice event participants per six-month period increased from 184 to 1,139.<sup>51</sup>

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47 UNDP, 2007. *Evaluation of Second Regional Cooperation Framework for Asia and the Pacific 2002–2006*. Evaluation Office.

48 Ibid.

49 *Knowledge Networks* Web site, UNDP: [http://practices.undp.org/ks/docs/Global%20Networks%20Brochure\\_Nov.doc](http://practices.undp.org/ks/docs/Global%20Networks%20Brochure_Nov.doc).

50 UNDP, 2004. *Evaluation of the Second Global Cooperation Framework*, Evaluation Office.

51 Ibid.

**Table 3.1. Effectiveness of the Activities of the Special Unit to Mainstream South-South Cooperation in UNDP**

Commitments for activities for mainstreaming South-South cooperation under the Third Cooperation Framework	Effectiveness
Prepare programming instruments that include methodologies and information on various models of South-South programmes, such as triangular cooperation and the steps taken in organizing a capacity and needs matching exercise.	None of the UNDP case study country offices were aware of such programming instruments.
Prepare oversight instruments consisting of clear guidelines on how to include South-South cooperation in key programming documents in the UN system.	Partially achieved: revised guidelines were produced in 2003 and included pilot indicators to be used in reporting on progress and results achieved by the UN system. However, the UNDP <i>Results Management Guide</i> makes no reference to this document, and indicators are not used by any UNDP programming documents, including CPDs or the results-oriented annual reports.
Prepare monitoring and evaluation tools such as those used to ensure transparency and accountability in keeping with the MYFF.	There is no record of any evaluation tool being developed and shared with case study countries or UNDP Evaluation Office.
Educational and training instruments, including training manuals and course for integration into the UNDP Virtual Development Academy.	No reference to South-South cooperation either as a course, or as an element of the seven integrated practices areas listed on the Web page.
Disseminate promotional materials, including videos, brochures and booklets, at various events, including meetings, workshops and conferences, by the staff of the Special Unit.	No records are available to ascertain the effectiveness of this mode of dissemination.

Most of these networks are directly relevant to South-South cooperation. The same evaluation noted the example of UNDP Sri Lanka, which requested information on the types of services UNDP had offered to presidential offices of different countries and received 12 responses within 48 hours.

However, this evaluation finds that UNDP is losing an opportunity to capitalize on its strengths. While knowledge networks and communities of practice provide an enabling environment for South-South information exchange, in practice they are limited to improving particular programmes or projects. UNDP does not use them to engage with South-South cooperation in a systemic way,

in order to: analyze and understand the structural needs behind the queries posted; map demand across sectors, practice areas and regions; identify gaps in capacities and emerging trends in South-South cooperation; codify this knowledge base and experience within a South-South cooperation framework; or feed results back into the organization to allow for development of better strategies.

Regional service centres, country offices and most knowledge networks do not profile priorities for supply and demand of South-South cooperation in host countries, subregions or regions.

There are instances of good practice in building on an existing knowledge base of South-South

cooperation. Technonet Africa is one example. As discussed in Chapter 2, Technonet Africa used Technonet Asia's 30 years of experience in promoting small and medium-sized enterprises. While there is no information on specific outputs and outcomes, there are indications that activities under this initiative were well received, for example, by participants in the training of trainers for entrepreneurship development, as well as in a workshop on SME policy and institutions (South Africa case study). Participants attributed the quality of these training exercises to the expertise of the trainers, who had gained their experience in Technonet Asia.

However, as WIDE illustrates, positive experience is not the rule. As noted in Chapter 2, WIDE, the flagship initiative of the Third Cooperation Framework, was recently revamped in collaboration with UNDP regional service centres and BDP. It is now linked to UNDP and other UN networks and, importantly, opened to institutions outside the system through roster managers. WIDE is now linked to 40 rosters of experts within the UN system and reported 1,342 referrals in 2006.<sup>52</sup> However, case studies show that government officials and stakeholders were not aware of the changes made to WIDE. The Special Unit has not followed up to discover how the rosters are being used, or to analyse the knowledge networks under WIDE, in order to codify experience and feedback for participating agencies and countries.

**UNDP has not sufficiently leveraged the strengths of the UN system to promote South-South cooperation.**

Consultations with Geneva-based UN organizations pointed out that relationships between UNDP and other UN agencies were not based on explicit coordination mechanisms or agreement on collaborative efforts. Some agencies pointed out that, after shifting from being a funding agency to being an implementation agency, UNDP had extended its operations to areas such

organizations consider within their own mandates, particularly those of trade and investment. At times, this created tension instead of facilitating coordination.

Responses from the electronic survey point to a similarly *ad hoc* nature of coordination of South-South cooperation interventions at the country level. Among UNCT respondents, 65 percent said that South-South cooperation coordination takes the form of *ad hoc* meetings, and 73 percent of UNDP respondents concurred. Only 21 percent of UNCT respondents reported that there were regular consultations.

The UNDAF mechanism offers the possibility for greater coordination and coherence. However, 76 percent of survey respondents in UNDP noted that promotion of South-South cooperation was not a UNDAF objective in their country.

The Special Unit has joint initiatives; however, similar to the UN Day for South-South Cooperation, these initiatives do not lead to sustained links that bring out synergies. Only a few, such as the remittances workshop referred to in Chapter 2, include a follow-up action resulting in sustained relationships. The Special Unit initiated the revitalization of the focal point network, beginning with 15 Economic Community of West African States countries. However, many UNCTs reported that progress had been held back by the poor coordination of South-South cooperation efforts and the low visibility of the Special Unit with local governments. Interviews with stakeholders confirm the observation that, in many countries, the focal point system for South-South cooperation is not strong enough to provide vibrant leadership.

**Systematic collaboration between the Special Unit and UNDP is inadequate.**

Achieving the goals of the Third Cooperation Framework requires close collaboration between the Special Unit and UNDP. The universal

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52 Brewster, M., 2007. *Internal Evaluation of the Implementation Activities Supported under the Third Cooperation Framework by the Special Unit for South-South Cooperation*. International Development Consulting, Inc. New York. April.

presence of UNDP offers a platform for the Special Unit to promote and advocate for South-South cooperation at the country level, while close ties between the Special Unit and programme countries provide a valuable asset to leverage country support in order to address sensitive trans-boundary issues through South-South exchanges. However, with the exception of financial transactions, there is no systematic collaboration between the Special Unit and UNDP. While useful collaborative efforts exist, collaborative efforts as a whole were found to be inadequate and ineffective in key areas of mutual support, such as: UN system-wide coordination of South-South cooperation activities; initiatives to mainstream South-South cooperation within UNDP and at the country level; and strengthening the effectiveness of knowledge networks in promoting South-South cooperation.

Case studies show that the Special Unit has not adequately leveraged UNDP strengths in promoting South-South cooperation at the country level, or in coordinating South-South cooperation efforts with UNCTs. Of responding UNCT members, 94 percent reported that they were either not familiar (57 percent) or only somewhat familiar (37 percent) with the role and function of the Special Unit.

This evaluation finds that participation of the Special Unit in programme advisory committees at headquarters is not institutionalized. Some regional bureaux invite and receive inputs from the Special Unit on a regular basis, while others do not.

The recent move to post regional advisers of the Special Unit in regional service centres is a step towards stronger joint action to promote South-South cooperation. However, the results are mixed. Thus far, the regional adviser's presence has produced the intended results in Thailand, but not in Johannesburg.

This evaluation concurs with the recent internal review that, "Beyond initial consultation, there does not appear to be great interaction between UNDP units." UNDP country offices offered mostly "logistical or administrative support, and South-South cooperation was not a main thrust of these activities."<sup>53</sup>

### **3.3 INCENTIVE STRUCTURES AND RESOURCES TO PROMOTE SOUTH-SOUTH COOPERATION**

The evaluation found no system for rewarding best practices in mainstreaming South-South cooperation. Lack of internal incentives and direction has prevented UNDP from making better use of its resources and assets. The organization has not mined its knowledge and experience to analyze either sectoral demands for South-South cooperation or emerging trends. The visited country offices were not active in profiling demand for South-South cooperation in their countries. The evaluation found a noticeable disconnect between the *ad hoc* manner in which country offices and knowledge networks were accumulating experience and the stated corporate priority of integrating promotion and advocacy of South-South cooperation in UNDP programming.

The case studies point out that mainstreaming South-South cooperation has been slow, because UNDP has not earmarked resources for relevant country-level programming. UNDP stakeholders in case study countries felt that South-South cooperation was unlikely to get attention, until a new line item was created in the budget. They pointed to significant resource constraints in UNDP programmes to promote South-South cooperation. Stakeholders in Brazil also noted that the International Poverty Centre at Brasilia had to circumscribe its activities considerably as a result of inadequate funding.<sup>54</sup>

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53 Ibid.

54 Brazil case study.



**Special Unit has consistently mobilized non-core resources, yet the total resources available remain inadequate to cover the wide scope of activities.**

As resources declined, UNDP, the sole provider of regular resources for the Special Unit, was unable to maintain the support level promised in 1997, or 0.5 percent of total programme resources. Support was, therefore, fixed at \$3.5 million for 2003–2005 and raised to \$4.5 million under the current UNDP Strategic Plan (2008–2011). The Special Unit has consistently mobilized non-core resources. However, with 15 regular professional staff and less than \$9 million available annually, the Special Unit is expected to: serve as the secretariat for the HLC; support the Office of the Chairman of the Group of 77 and China; manage the trust funds related to South-South cooperation; promote and coordinate South-South cooperation activities within the UN system; and promote South-South cooperation at the country level.

Previous evaluations<sup>55</sup> echoed the statement made on behalf of G77 and China that observed that, “The pattern of cooperation had unfortunately not been commensurate with the comprehensive nature of the commitments contained in the various declarations and other documents for South-South cooperation, as well as with the existing capabilities and capacities in the South. The inadequate financial resources allocated in support of South-South cooperation programmes continue to constitute a serious obstacle to their promotion and effectiveness.”<sup>56</sup> In this regard, the South Fund for Development and Humanitarian Assistance, created at the Second South Summit in Doha in 2005, was a welcome sign of commitment to South-South cooperation. Notwithstanding, the Special Unit’s human and financial resources remain inadequate to assist target countries.

### **3.4 PREPAREDNESS TO MEET EMERGING CHALLENGES**

The preceding discussions clearly show that South-South cooperation is not seen as a priority in many country programmes, and that UNDP has not been able to fully leverage its position to promote South-South cooperation in the past. It is also evident that the Special Unit and UNDP do not have systematic mechanisms to identify the needs of target countries. One of the historical imperatives of South-South cooperation is the attempt at levelling the playing field through cooperation among countries of the South. As noted earlier, the North-South gap may be diminishing in a number of areas and at an aggregate level. However, current trends also point to growing inequalities in the South. As BAPA recommended, one of the most significant priorities for UNDP is to fulfil its mandate of strengthening geographically and economically marginalized countries. This includes: improving these countries’ capacity to formulate strategic responses to the imperatives of the new order; enhancing their effectiveness in negotiating the emerging order; and sharpening their competitiveness within it. This evaluation finds that neither the MYFF nor the cooperation frameworks have incorporated transparent consultative processes to identify the needs of target countries in a systematic manner.

Analysis of past evaluations, network discussions, case studies and survey responses indicates that the areas that are becoming increasingly important to UNDP involvement in South-South cooperation include conflict prevention and recovery, disaster preparedness, climate change, trade and intra-South development cooperation.

As South-South cooperation evolves, it may embody a wide range of development approaches, not all of which will enhance people’s choices or promote human development, which is the mandate of UNDP. This evaluation did not find sufficient

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55 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.

56 Excerpted from the statement on behalf of the Group of 77 and China by Ambassador Mohamed Bennouna, Permanent Representative of the Kingdom of Morocco to the United Nations and Chairman of the Group of 77 before the 13th Session of the HLC (May 2003).

emphasis on these aspects in policy documents such as the Third Cooperation Framework, or sufficient evidence that UNDP designs and implements its South-South cooperation efforts based on a human development approach.

**The UNDP role in middle-income countries is yet to be defined.**

Although critical for its current and future strategic position in South-South cooperation, UNDP has yet to evolve a corporate strategy for its engagement in middle-income countries. Instances of strategic initiatives to engage in such partnerships to promote South-South cooperation are available, as illustrated by the Chapter 2 examples of China, Egypt and Thailand. However, as shown by the case studies of Brazil and Guatemala, such partnerships are not the rule. A number of Assessments of Development Results (evaluations of UNDP performance at the country level) have pointed out that UNDP has not developed context-appropriate approaches for engaging in middle-income countries.

In the Latin American model, UNDP mainly carries out administrative functions such as procurement for governmental bodies. As shown by the Brazil and Guatemala case studies, this dependence may have weakened the UNDP position to advocate South-South cooperation in the long term. South-South cooperation is a much more politically complex issue than the

traditional UNDP development engagement with countries. The electronic survey responses show that countries do not always find it necessary to involve UNDP or the UN system in their South-South cooperation efforts. However, interviews with member states point to a number of instances in which UNDP has lost opportunities to further South-South cooperation, because it did not have a clear strategy or vision to pursue such cooperation, particularly in middle-income countries.

**Horizontal links across regions are inadequate to strengthen interregional South-South cooperation.**

Increasingly, South-South cooperation is taking place not only within but also across regions. This evaluation finds that inadequate institutional horizontal links among country offices—where most of South-South cooperation happens—limit the ability of the organization to initiate and facilitate inter-regional South-South exchanges. Knowledge networks links UNDP country offices across regions. The current system of line oversight links country offices to specific regional bureaux, with limited cross-regional contact. In addition, the case studies found uneven communication between regional service centres and country offices, which further limits capitalizing on intraregional opportunities. For example, UNDP South Africa was unaware of the work of the regional centre, while in Thailand there were systematic links between the two.