

CONCLUSIONS AND RECOMMENDATIONS

UNDP and the Special Unit have considerable experience in South-South cooperation and are well positioned to play a more active and effective role in supporting and promoting it. There is recognition that all countries from the South can benefit from South-South cooperation. UNDP has expressed a strong commitment to South-South cooperation in its strategic plans. However, UNDP and the Special Unit have been unable to fully deliver on their mandate to promote and support South-South cooperation.

4.1 CONCLUSIONS

I. The effectiveness of support under the Third Cooperation Framework for South-South Cooperation is constrained by the mismatch among the mandate, resources and implementation strategy of the Special Unit.

The mandate of the Special Unit for South-South Cooperation is extensive, not only relative to UNDP but in absolute terms. Evolving and expanding over time, the Special Unit functions to: act as the secretariat to the High-Level Committee on the Review of South-South Cooperation; coordinate UN system-wide South-South cooperation efforts; mobilize resources and manages funds for South-South cooperation; and support South-South cooperation within the UN development system. The Special Unit has difficulty in managing all the activities needed under such a broad mandate with its available resources (core \$3.5 million, non-core \$5.5 million per annum) and 15 professional staff members.

The three platforms of the Third Cooperation Framework for South-South Cooperation provide a useful conceptual tool to identify areas of

interventions—a platform to support policy dialogue, with emphasis on mainstreaming South-South cooperation as a driver of development effectiveness; a platform to help create an enabling environment for public-private partnership mechanisms for South-South business collaboration and technical exchange, and a platform to manage and share development knowledge. However, in developing initiatives, evidence indicates that the Special Unit paid insufficient attention to assessing and prioritizing demand from consultations with target countries. Consequently, the Special Unit's activities are too numerous and diffused, further constraining its resources and capacity and limiting its ability to respond to requests for support.

The Special Unit developed *Revised Guidelines for the Review of Policies and Procedures Concerning South-South Cooperation* (document TCDC/13/3 of the High-level Committee on the Review of TCDC) including a common results framework for the UN development system engaged in South-South cooperation. This document was approved by the High-level Committee on the Review of South-South Cooperation and the General Assembly in 2003. However, the Special Unit itself continues to report activities as results and has not produced a results framework that ties outputs and outcomes to clearly defined qualitative and quantitative indicators. Consequently, its reviews offer limited evaluative evidence and learning opportunities.

II. UNDP has not developed a robust and proactive approach to South-South cooperation at the corporate level.

UNDP is mandated to support and promote South-South cooperation by hosting the Special

Unit and through all relevant UNDP-supported programmes.

UNDP does not have a clear strategic framework to leverage the Special Unit and other programmes to support South-South cooperation. South-South cooperation was declared to be a driver of development effectiveness in MYFF II and a principle of development effectiveness in the UNDP Strategic Plan. Yet these plans did not articulate UNDP strategic priorities, deliverables and modalities of engagement in South-South cooperation.

There are no clear strategies and institutional mechanisms to adequately respond to the dynamic changes occurring in South-South cooperation. Examples of such changes include the rapid expansion of interregional exchanges and trade, massive trade surpluses in pivotal countries that result in new financing arrangements and opportunities to promote South-South cooperation. There is continuing demand from disadvantaged countries for support that would permit them to benefit from these opportunities.

In addition, UNDP has no clear partnership strategies to support or strengthen South-South cooperation within the UN development system or among countries of the South. Case studies show that other UN agencies are actively involved in South-South cooperation, yet in many countries coordination of UN system-wide efforts to prioritize South-South cooperation in national development agenda remains *ad hoc* and inadequate.

The development context varies among the countries of the South. Some countries have taken the lead in South-South cooperation and do not require support from the UN system; others have requested UNDP support for their initiatives. Some countries have yet to fully recognize the potential of South-South cooperation and require encouragement to stimulate demand. Clear strategies to partner with governments to support and promote the demand for South-South cooperation are not fully in place, especially in pivotal countries.

With its global presence, UNDP has yet to adopt a robust approach to support a two-way flow of knowledge and multi-dimensional experience among all countries in the South.

III. UNDP is a responsive partner at the country level: however, its effectiveness is constrained by uneven recognition, inadequate resources and incentives and inability to systematize learning.

Though many UNDP initiatives currently under way have South-South elements, they are not corporately recognized as such. There is limited shared understanding of the concept of South-South cooperation across the organization, and inadequate recognition of the value added by South-South cooperation at the operational level.

UNDP has not provided adequate resources to mainstream South-South cooperation in its programming. While UNDP provides the regular (core) resources for the Special Unit, the organization has not been able to sustain the commitment (1997) to allocate 0.5 percent of its annual programme resources to the Special Unit (support is currently fixed at \$4.5 million).

Much of what UNDP is doing on South-South cooperation is the result of individual initiatives and leadership. There is a lack of clear incentives and guidance to integrate South-South cooperation in global, regional and country programmes.

The accountability and reporting systems of UNDP do not adequately reflect the priority of support for South-South cooperation.

UNDP does not conduct systematic analysis of the information on its knowledge networks. Such analysis might help to distil modalities of engagement in South-South cooperation with an eye towards mapping demand areas, identifying capacity needs, and codifying the wide experience of UNDP. Similarly, UNDP has not built a body of evaluative evidence on its contribution to South-South cooperation, which would have enabled the organization to learn from its experience.

IV. UNDP and the Special Unit have not fully leveraged their collective strengths and capacities.

The Special Unit has convening power and specialized knowledge to facilitate interest and catalyze demand among partner countries. UNDP has a networked global presence, a mandate to coordinate at the country level, and in general, has close interaction with programme country partners. Yet the Special Unit and UNDP have not fully leveraged each other's strengths.

There are no clear collaborative arrangements between the Special Unit and UNDP at different operational levels. The UNDP Strategic Plan, 2008–2011, does not reflect the areas of collaboration spelled out in the Third Cooperation Framework for South-South Cooperation. UNDP has not worked with the Special Unit to codify relevant experience emerging from the practice networks. In addition, the Special Unit has not leveraged the UNDP network of country offices to identify areas of focus or coordinate South-South cooperation efforts of the UN system at the country level.

4.2 RECOMMENDATIONS

The rapid evolution of South-South cooperation has opened a window of opportunity for developing countries to use such cooperation as a means towards achieving internationally agreed development goals, including the MDGs. The United Nations development system has an important partnership role. Within this partnership, UNDP must clearly define the contours of its engagement with South-South cooperation and revamp its institutional arrangements, including its relationship with the Special Unit.

The following recommendations cover the cooperation framework for South-South cooperation and the Special Unit's role; the responsibility, strategic approach and institutional arrangements of UNDP; and collaborative arrangements between UNDP and the Special Unit. These recommendations are intended to be mutually reinforcing and should be treated as a whole.

I. The Fourth Cooperation Framework for South-South Cooperation (managed by the Special Unit) should be shaped around three activity streams: knowledge sharing; policy development and advocacy; and catalyzing innovation. Initiatives in each of these streams should be time-bound and results-oriented.

The evaluation found that the thrust and the key elements of the Third Cooperation Framework for South-South Cooperation are still relevant, and that the Special Unit achieved most of the outputs. However, the full potential of results has not been attained, due to the Special Unit's limited capacity and inadequate leveraging of the strengths of the United Nations development system. Specific recommendations made in this area do not envisage a fundamental change in the content of the Third Cooperation Framework, but rather enable the Special Unit to engage more closely with organizations of the UN system to increase the effectiveness of support to countries.

Knowledge sharing for South-South experience

- The Special Unit should continue to serve as the repository of knowledge on South-South cooperation for the UN system and the international community. The Unit should systematically engage with governments and all UN agencies to distil good practices, identify proven solutions and expertise, and codify experience in a user-friendly interactive system accessible by the international development community at large.
- The Special Unit should conduct research and analysis of key emerging trends in South-South cooperation. This exercise should gauge emerging needs by assessing the outcomes of the deliberations of relevant intergovernmental fora, as well as by pooling and synthesizing the experience of organizations of the United Nations system.

Policy development and advocacy for South-South cooperation

- The Special Unit should continue its advocacy efforts through intergovernmental

fora, regional bodies and national-level stakeholders. The Special Unit should document outcomes from these efforts to influence the future practice of South-South cooperation.

- The Special Unit should more effectively engage with all UN development agencies, in order to mainstream South-South cooperation as a modality for development effectiveness. The Unit should establish a mechanism or mechanisms for systematic engagement with agencies to address shared priorities and action plans. These could include updating the policy and procedural guidelines related to South-South cooperation and periodic consultations within the United Nations development system.

Catalyzing and innovating to meet emerging demands of South-South cooperation

The Special Unit should:

- Identify appropriate priorities for action in emerging areas of South-South cooperation by mapping demand through consultation with target countries and the UN system, supplemented by analysis;
- Develop a select portfolio of time-bound, results-oriented pilot initiatives to address critical issues in the areas identified, with the objective of defining effective South-South solutions that can be scaled up and/or replicated by countries with the support of the UN system as appropriate. This portfolio should be of a manageable size, and should be flexible enough to accommodate additional demands as they emerge. The Special Unit should undertake only a limited number of pilot activities at a given time;
- Support countries in developing policy frameworks to enable them to address opportunities and constraints in the expansion of South-South cooperation in areas such as public-private partnerships and civil society engagement; and

- Manage funds for South-South cooperation on behalf of countries of the South within an accountable and clearly defined results-oriented framework.

The Fourth Cooperation Framework for South-South Cooperation and its components should be built around clear outcomes that are linked to the mandate of the Special Unit. The results chain should logically link outputs to outcomes.

II. In programming initiatives, the Special Unit should adopt strict criteria and leverage the capacities of UNDP and other relevant United Nations organizations to enhance the contribution of South-South cooperation to development effectiveness.

The evaluation found that the Special Unit is not sufficiently using criteria established by intergovernmental fora; nor is it adequately leveraging the global networked presence of UNDP and the specialized mandates of the organizations of the United Nations development system. The recommendations of this evaluation envisage that the Special Unit will continue using its convening power and specialized knowledge to initiate pilot activities and will expand its partnerships with relevant United Nations agencies.

- The initiatives under the Fourth Cooperation Framework for South-South Cooperation should strictly adhere to criteria including:
 - Strong demand from member countries (BAPA);
 - Defined impact on a large number of countries (*New Directions for Technical Cooperation among Developing Countries*, 1995); and
 - Clear results framework, with a results chain linking outputs of initiatives to outcomes sought by the cooperation framework (TCDC 13/3).
- In its pilot initiatives, the Special Unit should partner with governments and relevant United Nations agencies from the outset, with a view to mutual learning, codification, and integration of the pilot experience in the respective government's or agency's programming.

- The Special Unit should have a clear exit strategy for each pilot project. The government or partner agency should be prepared to scale up and replicate successful activities, and to provide feedback on programme experience and results to the knowledge base of the Special Unit.

III. UNDP should develop a corporate South-South cooperation strategy that: addresses emerging issues; draws on its own experience; integrates all of its programme frameworks, and is underpinned by resources, incentives and accountability.

UNDP has islands of success in South-South cooperation; however, these have not been integrated into the corporate approach. As such, this evaluation recommends prioritizing South-South cooperation in programming and taking steps towards institutionalizing South-South cooperation approaches.

- At the corporate level, UNDP should respond to dynamic changes and emerging priorities in South-South cooperation, as well as to emerging priorities. In doing so, UNDP must consistently and fully reflect the human development mandate and the rights-based approach to development. UNDP should identify key partners to work with and modalities of partnership in diverse contexts, including pivotal countries.
- UNDP should identify a clear set of deliverables on South-South cooperation, for which it assumes responsibility. This should be done through an internal discussion with the Special Unit, as well as in consultation with partner countries and other UN system bodies.
- UNDP should develop a results framework for South-South cooperation initiatives in its strategic plan, with clear benchmarks and indicators to assess its contribution to South-South cooperation. To support this assessment, UNDP must put in place an effective monitoring and evaluation mechanism of all related programming activity.

- UNDP should identify South-South cooperation priorities through: findings from the analyses of the Special Unit; UNDP programming experience at the country, regional and global level; and systematic consultations with programme countries. In particular, UNDP should mine experience gained in supporting conflict prevention and recovery; disaster preparedness; climate change; trade, and intra-South development cooperation.
- UNDP should: develop a systematic approach to link South-South considerations in practice areas and programming at the country, regional and global levels; proactively require all practice areas to have South-South concerns as an element; and develop clear guidance material in the *Results Management Guide* based on the TCDC/13/3 and ensure support to South-South cooperation at all levels of UNDP programming.
- UNDP should reflect the priority placed on South-South cooperation in allocating and tracking of resources, developing performance incentives, and implementing accountability and reporting systems.

IV. UNDP and the Special Unit for South-South Cooperation should define clear collaboration arrangements between the Special Unit and UNDP.

This evaluation found that collaboration between UNDP and the Special Unit is not adequately institutionalized. UNDP must recognize that the mandate of the Special Unit goes beyond the work of UNDP and that the cooperation framework should support the full mandate. In this area, the following recommendations address roles and responsibilities, resource allocation and joint efforts at codification and coordination.

- The Director of the Special Unit should be a member of the Operations Group. Clear collaborative arrangements between the Special Unit and the regional and practice bureaux of UNDP need to be established. Periodic reporting and discussion of the

implementation of the Fourth Cooperation Framework for South-South Cooperation, as well as the results of collaboration with the regional bureaux, corporate units, and country offices, should take place at the Operations Group.

- UNDP should revisit its 1997 commitment to provide 0.5 percent of its total programming resources to South-South cooperation and ensure that predictable and adequate resources are made available to both UNDP

and the Special Unit in order to fulfil the South-South cooperation mandate.

- UNDP should provide the Special Unit with a platform to engage with United Nations Country Teams with regard to South-South cooperation at the country level.
- UNDP and the Special Unit should work together to codify existing experience related to South-South cooperation by analysing trends, capacity needs and demands. This information should be made accessible to partners.