

Working Paper: Scaling-up South-South Cooperation for Sustainable Development

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I. Introduction

The global development cooperation landscape is changing rapidly. Emerging economies and other developing countries have become key actors in the new development architecture. They play an important role not only due to their contribution to overcoming pressing development challenges, but also in light of the diversity and richness of the practices and experiences shared, the lessons they offer for building common agendas at global and regional levels, and the leadership they promote, particularly at the local level. South-South and triangular cooperation has emerged as an important vehicle to accelerate human development and it is set to assume greater importance in the future.

While being important complements to but not substituting North-South cooperation, South-South and triangular cooperation has increased the diversity in opportunities for development assistance and cooperation. The Third International Conference on Financing for Development (FfD) encouraged “developing countries to voluntarily step up their efforts to strengthen South-South cooperation, and to further improve its development effectiveness in accordance with the provisions of the Nairobi outcome document of the High-level United Nations Conference on South-South Cooperation”^① all in the context of poverty eradication and sustainable development. The Outcome Document also committed countries to ‘strengthening triangular cooperation as a means of bringing relevant experience and expertise to bear in development cooperation’^②.

Additionally, the newly adopted Sustainable Development Goals (SDGs) stresses the importance of South-South cooperation in implementing the post-2015 development agenda. Goal 17 “Revitalize the global partnership for sustainable development”, in particular, places emphasis on the critical role of South-South and triangular cooperation in achieving this ambitious development agenda. It has also set targets for South-South and triangular cooperation that target both technology^③ and capacity building^④ in which all countries have committed to achieve.

Yet, the potential for South-South and triangular cooperation in contributing towards the achievement of sustainable development and poverty eradication has not been fully leveraged. Growth and development varies sharply between countries and regions. Even though, extreme poverty has dropped in every developing region, inequalities, however, have risen sharply in many countries. Significant risks remain for developing economies arising from both domestic and external sources despite the considerable resilience demonstrated by these economies in the face of the economic and financial crisis that started in 2008 and climate change challenges which are disproportionately impacting developing countries.

① United Nations, ‘Addis Ababa Action Agenda of the Third International Conference on Financing for Development’, New York, 2015 (A/RES/69/313).

② Ibid, para 57.

③ Target 17.6 - Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism when agreed upon. <http://www.un.org/sustainabledevelopment/globalpartnerships/>.

④ Target 17.9 - Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the sustainable development goals, including through North-South, South-South and triangular cooperation. <http://www.un.org/sustainabledevelopment/globalpartnerships/>.

Recognizing the common goal and mutual interests of the developing countries in achieving the sustainable development, alongside the 70th General Assembly of the United Nations, the UN Secretary General Ban Ki-Moon and President of China Xi Jinping jointly hosted a high-level Round Table on South-South Cooperation and issued a joint press release. The Round Table discussion encouraged all countries to “promote the exchange of development ideas and practices, deepen macroeconomic policy coordination and make trade and investment work for people living in developing countries”. Countries were also advised to “focus on building infrastructure and enhancing connectivity to benefit from global value chains”, as well as “promoting the green economy and environmental protection”. The meeting stressed on the importance of creating high-quality flagship projects for South-South cooperation, including through initiatives such as the ‘Silk Road Economic Belt’ and ‘21st Century Maritime Silk Road’ (Belt and Road Initiative), utilizing the Asian Infrastructure Investment Bank, the New Development Bank BRICS and other financing platforms to unleash cooperation potentials, demonstrate cooperation dynamism and achieve integrated sustainable development^⑤.

The high-level Round Table on South-South Cooperation has not only clarified the vision for achieving sustainable development for all, enriched the content of such cooperation, but also proposed very pragmatic approaches, which have caused more interests to involve and engage in the discussions of South-South cooperation by all sectors of the society. However, in order to fully leverage South-South cooperation and maximize its impact on sustainable development, there are still issues to be clarified. We would need a better understanding of what is South-South cooperation, how can it contribute to sustainable development, and what more needs to be done to scale-up South-South cooperation for sustainable development. This paper intends to address these questions and provide a framework of better understanding South-South cooperation and its role in supporting the implementation of the sustainable development agenda.

II. What South-South Cooperation is and is NOT?

While the world calls for a clearer definition of South-South cooperation due to its distinct features and diversity of modalities adopted in practice, there is a United Nations working definition which defines it as:

‘process whereby two or more developing countries pursue their individual and/or shared national capacity development objectives through exchanges of knowledge, skills, resources and technical knowhow, and through regional and interregional collective actions, including partnerships involving Governments, regional organizations, civil society, academia and the private sector, for their individual and/or mutual benefit within and across regions. South-South cooperation is not a substitute for, but rather a complement to, North-South cooperation’^⑥.

This definition is based on the Nairobi Outcome Document, negotiated at the UN High-Level Conference on South-South Cooperation and adopted by the UN General Assembly in December 2009.

^⑤ Press Statement by Co-Chairs of High-Level Round Table on South-South Cooperation, SG/2217-ENV/DEV/1574; <http://www.un.org/press/en/2015/sg2217.doc.htm>.

^⑥ United Nations, ‘Framework of Operational Guidelines on United Nations Support to South-South and Triangular Cooperation,’ High-level Committee on South-South Cooperation, New York, 2012 (SSC/17/3). South-South Cooperation is also understood as East-East Cooperation in the Europe and CIS region.

According to this definition, all developing countries^⑦ are considered as the Global South, and equal partners in South-South cooperation^⑧. Many developed countries^⑨ are also actively supporting South-South cooperation and thus form a triangular cooperation modality. Also according to the UN working definition,

Triangular cooperation involves ‘Southern-driven partnerships between two or more developing countries, supported by a developed country(ies) or multilateral organisation(s), to implement development cooperation programmes and projects’^⑩.

South-South cooperation activities are not limited to just bilateral country support or exchanges. Very often and for development impact at scale, neighbourhood initiatives, regional mechanisms, and global networks are important forms of South-South cooperation. While traditionally South-South cooperation relied primarily on governments, non-state actors are increasingly playing an active role. Mutual benefits are explicitly highlighted as one of the objectives in the definition of South-South cooperation.

Thus, South-South cooperation reflects the following key principles outlined in the Nairobi Outcome Document:

- Common endeavour of peoples and countries of the South, based on shared experiences, common objectives, and solidarity;
- guided by the principles of respect for national sovereignty, ownership and priorities as defined on national development plans and strategies;
- partnership among equals and free from conditionalities;
- continuing to increase mutual accountability and transparency, while coordinating with other development projects and programmes on the ground; and
- embracing a multi-stakeholder approach, including non-governmental organizations, the private sector, civil society, academia and others that contribute to meeting development challenges and objectives in line with national development strategies and plans

To summarize the above, the following features distinguish South-South cooperation from traditional North-South cooperation.

Firstly, on the conceptual and principle level, South-South cooperation is based on solidarity and guided by the principles of respect for national sovereignty and ownership. It seeks mutual benefits and is NOT a zero-sum game. Rather, South-South partners believe mutual benefits can make the partnership more lasting, reflecting the reality and common interests by developing countries.

Secondly, in terms of cooperation modality, South-South cooperation encompasses elements of trade, investment, knowledge exchange, technology transfer, migration, as well as direct financial

⑦ UNDESA, Composition of macro geographical (continental) regions, geographical sub-regions, and selected economic and other groupings, <http://unstats.un.org/unsd/methods/m49/m49regin.htm#ftnc>. There is no established convention for the designation of “developed” and “developing” countries or areas in the United Nations system. In common practice, Japan in Asia, Canada and the United States in northern America, Australia and New Zealand in Oceania, Israel, and Western Europe are considered “developed” regions or areas. Countries of Eastern Europe and of the Commonwealth of Independent States in Europe are not included under either developed or developing regions, but in general, cooperation among these countries, namely East-East cooperation, is considered South-South cooperation as well.

⑧ One exception is Republic of Korea (ROK). While UNDESA report on World Economic Situation and Prospects (2014) classifies ROK as emerging economy, UN Joint Inspection Unit Report 2011 listed ROK as a triangular cooperation partner supporting South-South cooperation.

⑨ Ibid 1, see UNDESA <http://unstats.un.org/unsd/methods/m49/m49regin.htm#ftnc>.

⑩ United Nations, ‘Framework of Operational Guidelines on United Nations Support to South-South and Triangular Cooperation,’ High-level Committee on South-South Cooperation, New York, 2012 (SSC/17/3).

assistance. It is NOTODA, or just about financial assistance per se, and cannot be regulated by existing rules and frameworks that have been used to quantify and qualify traditional North-South development assistance.

Lastly but importantly, South-South cooperation is about a horizontal and inclusive relationship. It is NOT the traditional donor-recipient relations and should not evolve towards a relationship just between emerging economies and other developing countries. It is also inclusive and naturally embraces roles of civil society and private sector, should not be framed just as government driven projects. Moreover, South-South cooperation is a complement or even a bridge for the world to be flatter and eventually cross out the North-South, South-South or even South-North cooperation. It is NOT a dividing force but a converging force that seeks to add complementary value to the development agenda, based on its own characteristics and comparative advantage. It welcomes triangular cooperation to enable mutual learning between developed and developing countries and together strive for a world that truly embraces unity in diversity.

III. What have been the contributions by South-South cooperation to sustainable development?

A. Liberating and strengthening productive capacity

South-South has liberated and strengthened productive capacity of developing countries. This has been achieved mainly through increasing South-South trade and investment, often with supportive policy environment created by developing country governments.

Trade among the Southern countries is rapidly increasing. Since 2013, South-South trade in goods was valued at approximately USD 5 trillion^⑪. More than 75 percent of South-South trade was to or from countries in the Asia region, reflecting a diverging degree of global integration vis-à-vis other regions^⑫.

Investment flows to developing economies, much of it originating from the South, reached a new high of USD 759 billion in 2013, accounting for 52 percent of global foreign direct investment (FDI) inflows^⑬. Developing economies, thus, extended their lead in global inflows, with China becoming the world's largest recipient of FDI. Developing countries now provide 33 percent of global investments, up from 13 percent in 2007, and are projected by the World Bank to account for more than half of total capital stock by 2030. The share of the poorest developing regions in South-South FDI is still growing from a small base^⑭.

Indeed, promotion of trade is not an end in itself but rather a way to meet a broader goal for developing countries' long-term economic growth and sustainable development. At the Financing for Development conference, held in Addis in July 2015, China committed to offer zero tariff treatment to 97 percent of the taxable items from LDCs in 2015. China was also among the 13 WTO members of the Task Force on Aid for Trade and also made financial contributions to help other developing members, LDCs in particular, better integrate into the global economy and benefit from the multilateral trading

^⑪ UNCTAD, 'Key Statistics and Trends in International Trade 2014', Geneva, 2015.

^⑫ Ibid.

^⑬ United Nations, 'State of South-South cooperation: Report of the Secretary-General', New York, 17 July 2014 (A/69/153).

^⑭ United Nations, 'State of South-South cooperation: Report of the Secretary-General', New York, 27 August 2015.

system. In recent years, China has supported setting up 19 free trade areas involving 32 countries. All these are important South-South cooperation efforts aiming at promoting South-South trade and investment, which in turn would help developing countries to increase productive capacity, tax revenues, and create jobs. Economic empowerment constitutes an important aspect of human development.

B. Bringing back the necessary focus on basic infrastructure for development

Infrastructure projects account for an estimated 55 percent of South-South cooperation^⑮. Infrastructures can play a critical role in growth, competitiveness, job creation and poverty alleviation. Despite growth over the last decade, the lack of infrastructure comes at an enormous economic and social cost. Today one in five people live without electricity^⑯; one billion people live more than 2kilometres from an all-weather road^⑰; and almost 663 million^⑱ people lack access to safe drinking water. There is strong unmet demand for infrastructure investment, estimated at above USD1 trillion per year for emerging and developing countries alone^⑲.

To address this challenge, many southern partners have assisted other developing countries in basic infrastructure. India, for example, has established Pan African E-Network Project to connect 53 African countries by a satellite and a fibre optic network that would provide communication for Tele-education, Tele-medicine, Internet, Video conferencing etc. Saudi Arabia, through its Saudi Fund for Development (SFD), provided recovery assistance to Pakistan by rehabilitating community infrastructure for access to basic social services. Additionally, China has assisted many developing countries in Asia and Africa in building roads, hospitals, and schools that helped in transforming people's lives.

To help fill the infrastructure investment gap, South-South cooperation can play a big role, including through new initiatives such as the Asian Infrastructure Investment Bank (AIIB). AIIB's investment will focus on the development of infrastructure and other productive sectors in Asia, including energy and power, transportation and telecommunications, rural infrastructure and agricultural development, water supply and sanitation, environmental protection, urban development and logistics, etc. With majority of the members as developing countries, the AIIB will also benefit from rich knowledge and expertise acquired through the recent modernization of infrastructures in the developing countries, including China, to benefit the region and beyond. Another example is the New Development Bank, co-founded by Brazil, Russia, India, China and South Africa, which will focus on infrastructure and sustainable development projects in BRICS and other emerging and developing economies. China's Belt and Road Initiative also has components that focus on infrastructure and inter-connectivity among countries across Asia, Europe, and Africa. All these new initiatives will bring about lasting impact on sustainable development, as well as directly address the Sustainable Development Goal on resilient infrastructure.

C. Skills and technology transfer at a lower cost

In the outcome document of the United Nations summit on Sustainable Development Agenda, Member

^⑮ United Nations, 'State of South-South cooperation: Report of the Secretary-General', New York, 17 July 2014 (A/69/153).

^⑯ <http://www.un.org/sustainabledevelopment/water-and-sanitation/>.

^⑰ <http://www.worldbank.org/en/topic/publicprivatepartnerships/brief/global-infrastructure-facility-backup>.

^⑱ United Nations (2015), 'The Millennium Development Goals Report 2015', York. [http://www.un.org/millenniumgoals/2015_MDG_Report/pdf/MDG%202015%20rev%20\(July%201\).pdf](http://www.un.org/millenniumgoals/2015_MDG_Report/pdf/MDG%202015%20rev%20(July%201).pdf).

^⑲ <http://www.worldbank.org/en/programs/global-Infrastructure-facility>.

States has called for enhanced South-South and triangular cooperation on access to science, technology and innovation and on knowledge sharing. Furthermore, they recognized South-South cooperation and triangular cooperation as effective means to enhance the capacity of developing countries in implementing the sustainable development goals.

South-South cooperation provides opportunities to share knowledge and expertise with low overhead. Knowledge and technology exchange between Southern partners has been increasing drastically between one another, most frequently generating development results at a much lower cost, in comparison with North-South arrangements.

For example, Cuba, as a member of the SIDS community, has signed agreements with African and Caribbean SIDS to provide technical expertise and transfer agriculture technologies. Cuban experts and technicians introduced drip irrigation technique for adoption by local farmers in other SIDS countries, which proved to be cost effective and suitable to the conditions in small islands where irrigation water is particularly a rare resource.

Additionally, Chinese expert team to Botswana and Mali promoted the use of simple but effective tools such as iron harrows and plastic mulch in crop production and cultivating paddy fields. Between 2011-2013, China provided technical and on-the-job training programmes in China for 50,000 people from other developing countries and sent over 7,000 young volunteers to other developing countries for skills transfer. To build on this success, during the recent High-Level Round Table on South-South cooperation, China announced it will provide 20,000 training opportunities and 150,000 scholarships for citizens of other developing countries to receive training and education in China, and help nurture 500,000 professional technicians for the rest of the developing world. It will also set up a South-South cooperation and Development Academy to facilitate studies and exchanges by countries on theories and practices of development suited to their respective national conditions, and will propose discussion on establishing a global energy network to facilitate efforts to meet the global power demand with clean and green alternatives.

With UNDP support, about 200 civil servants are deployed from Ethiopia, Kenya and Uganda for two year terms in South Sudan to provide peer coaching support to their counterparts in the newest country in the world. UNDP also facilitated a partnership between the Government of Timor-Leste and the Government of Brazil through a Memorandum of Understanding which facilitates secondment of Brazilian judges, prosecutors, public defenders and administrative staff to support the justice system in Timor-Leste. Studies show that such a South-South arrangement can be at only one third of the cost of similar arrangements with developed countries.

UNDP also partnered with Chile to assist El Salvador communities in constructing Socially Appropriate Technology (TSA) machineries. And India, through UNDP's Small Grants Programme, is supporting "women solar engineer" projects across Africa and Asia that empower poor, illiterate women by training them to build, install, maintain and repair solar technologies. UNDP in Cambodia invited a group from Lao PDR to share successful lessons from an indigenous radio programme. Tanzania sent a team to Uganda to learn experiences of land management, aimed at enhancing simple technologies for farmers in Kilimanjaro region.

D. Sharing more relevant and adaptable public policies for developing countries

In recent decades, policy innovations are mostly originated from the South. Born out of similar development contexts and sometimes even familiar cultural background, these southern solutions often prove to be more relevant for other developing countries. The conditional cash transfer programmes from Latin American countries, rural employment guarantee programmes from India, special economic

zones or PPP programmes for agriculture extension from China, are among those that have been widely learnt by other countries in Asia and Africa.

In many cases, UNDP has been actively engaged in supporting the developing countries to share and adapt relevant public policies. For Example, UNDP also facilitated Jordan's knowledge sharing and training programme for Iraq government institutions to strengthen mechanisms to manage gender based violence which often became more serious after conflicts. Additionally, In the Caribbean, UNDP supported the establishment of risk reduction management centres in Trinidad and Tobago, the Dominican Republic, Jamaica, British Virgin Islands, and Guyana to provide information on disaster risks through a South-South cooperation engagement with Cuba. Mexico collaborated with the Government of Tanzania, through the facilitation of UNDP, to share its institutional experiences in election management and electoral dispute resolution with two Tanzania electoral management bodies (EMBs).

Additionally, under the umbrella of triangular cooperation, the Republic of Korea (ROK), as a new DAC donor and an emerging economy, is working with UNDP on scaling up local development solutions for sustainable livelihoods, drawing on the experiences of ROK's SaemaulUndong (New Village Movement) - a rural development programme implemented in the early 1970s that significantly reduced rural poverty by increasing household incomes, improving basic infrastructure and services, revitalizing local communities and empowering women in ROK. One of the main components of this programme is supporting South-South knowledge exchange and triangular cooperation through the sharing of evidence-based results and experiences on local development. UNDP and ROK are currently rolling-out the updated model of the SaemaulUndong in six developing countries.

E. Enabling countries to develop joint solutions to common development challenges

South-South cooperation is not just about country to country exchanges. It is also about seeking collective solutions through cooperation with other developing countries, especially through neighbouring countries' joint initiatives and regional mechanisms. For example, during Ebola crisis, the Liberian Government and the UN Mission for the Ebola Emergency Response (UNMEER) brought together the national leaders on the Ebola response from Guinea, Mali, Liberia and Sierra Leone to formulate strategies to stop the cross border spread of Ebola. China's support to regional mechanisms such as AU, ASEAN and CARICOM reflect a clear understanding of this matter.

Additionally, since South Asia is considered one of the most disaster prone regions in the world, the South Asian Association for Regional Cooperation (SAARC) established a Disaster Management Centre (SDMC) to assist eight SAARC countries (Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka) in effective disaster risk management. The Centre currently provides policy advice and facilitating capacity building services which include strategic learning, research, training, system development, expertise promotion and exchange of information between the member countries.

To promote anti-corruption measures in Africa, the Southern African Development Community (SADC) established the SADC Protocol Against Corruption involving 14 members (Angola, Botswana, the Democratic Republic of Congo, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe). The purpose of the Protocol is to promote the development of anti-corruption mechanisms at the national level, promote cooperation measures in fighting corruptions by the member states and harmonizing anti-corruption legislation in the region.

In the Europe and CIS region, the South-East European Cooperation Process (SEECP) was established as a regional mechanism to strengthen stability, security and good-neighbourly relations by combating against organized crime, illicit drug and arms trafficking, and terrorism. Thirteen countries

from the South-East European countries are currently members of SEECP.

F. Common agenda setting and joint advocacy

In the global South, countries have various realities and needs. They also have heterogeneous understandings and views towards development cooperation. The needs of different typologies of countries have been recognized in the United Nations Millennium Declaration and in the outcome document “The future we want” of the United Nations Conference on Sustainable Development, held in Rio de Janeiro in 2012. In the meanwhile, countries are increasingly come together to form a common development agenda that addresses the specific needs for their respective typologies.

Among others, LDCs formulated the Istanbul Programme of Action, and SIDS adopted the Barbados Programme of Action, Mauritius Strategy and most recently, the Samoa Pathway. Similar efforts in defining common development agenda have taken place in the Land-Locked Developing Countries (LLDCs) through the Vienna Programme for Action, among the fragile states through the New Deal Implementation Support Facility and the group of g7+, as well as in Middle Income Countries (MICs). In the meanwhile, all these countries are also contributors in South-South cooperation in terms of their knowledge, indigenous and innovative technologies, as well as financial and human resources.

Such grouping of countries is about a shared understanding of the dynamism and root causes of their development challenges and fragility. In addition to knowledge exchanges, South-South cooperation means a stronger sense of solidarity and in turn, a stronger voice and deepened appreciation of Southern perspectives in the international community.

IV. What more needs to be done to scale-up South-South cooperation for sustainable development?

With all the success South-South cooperation has achieved, numerous researches and experiences point to five major and inter-connected bottlenecks that are hindering the full potential of South-South and Triangular cooperation at present which include complexity, asymmetry, externalities, scale and sustainability. However, such bottlenecks can be addressed through the following:

Mind-set change

The world needs a better understanding of what South-South cooperation really is and be ready to fully gain strength from the diversity it brings. There is still some blurry understanding of the concepts and many have concerns that its heterogeneity of modalities could bring risks and uncertainties. In addition, South-South cooperation frequently happens under different modalities which are normally not assessed; there is currently no systematic and widely available information on the trends and patterns of South-South cooperation; and there is a lack of monitoring and evaluation frameworks that can assess its strengths and weaknesses in which developing countries can use.

As the scale and impact of South-South cooperation increases, especially during the next 15 years, we would need to embrace it as a new area of learning and truly perceive its diversity as strength for development to gain new energy from. As explained, South-South cooperation has its unique features

and many may challenge what exiting frameworks of development cooperation may entail. The world has gained enormous wisdom leaning from the traditional North-South cooperation but facing the new momentum of South-South cooperation, we would also need to unlearn some of what we have learnt. This will be a process that requires efforts from all sectors of society to join the discussion, sharing and analysing South-South cooperation and its contributions. Southern think tanks and their networks, research institutions, and media can play an important role in this regard.

To support the institutions to play such a role, there also needs to be an enabling environment and space in which institutions and experts from the South and the North are able to share information and knowledge to which they can easily and freely access. Experts from the South also need global fora in which they can raise their concerns and inputs when Member States deliberate on South-South and Triangular cooperation policies. In this regard, UN agencies can play a facilitation role. In 2014, UNDP conducted a global consultation with over 20 think tanks from the South which revolved around the roles and responsibilities of think tanks in supporting the growth of South-South and Triangular Cooperation and the creation of a common research agenda in this area. This has resulted in UNDP launching a Global South-South cooperation Think Tank Consultation Forum in which it aims at expanding its partnership base going forward and facilitating a platform for think tanks to better link with global policy making and development agenda setting processes on South-South cooperation.

Systematic approach

South-South cooperation is now happening often in an ad hoc manner, lacking a systematic supporting mechanism. It may be a result of a shake of hands between two presidents or just a random contact of two people. A systematic approach is needed to take the cooperation to scale and fully leverage the diverse cooperation modalities under the South-South cooperation framework to advance development goals of a country.

To address this, there is a need for parties involved to form a strategy for South-South cooperation and embed that strategy into national development planning. China's initiative to build the Silk Road Economic Belt and 21st-Century Maritime Silk Road ("belt and road" initiative) is a good example to move forward South-South and Triangular cooperation with over 60 countries across Asia, Africa and Europe, in a more systematic way, integrating resources and building long-term and multi-dimensional partnerships. The President of China at the General Assembly Round Table on South-South Cooperation also promoted the idea of developing countries linking-up of national development strategies and strengthening macroeconomic policy coordination. These are ways to take South-South cooperation to a more strategic positioning and aim at impact at a higher level, moving beyond just a series of disconnected projects.

Another approach to foster systematic approach in South-South cooperation would be to create and strengthen centres of excellence driven by the South. UNDP has partnered with several Southern countries in establishing such centres of excellences, covering subjects from inclusive development, private sector, public service excellence to broader issues of sustainable development. In China, the International Poverty Reduction Center of China has also been a pioneer in this regard.

South-South cooperation also needs to move beyond just knowledge sharing to deliver lasting partnership and concrete results that benefit people's life in the long run. In order to do so, integrating resources and expertise from various sectors would be the key. South-South cooperation needs a global marketplace where all partners can access demands and supply, playing each other's comparative advantages, and form partnerships to deliver on results together. Such a marketplace can also be

facilitated by a virtual platform benefiting from the new technology and e-commerce experiences. In this regard, UNDP plans to partner with governments, private sector, civil society and various actors in establishing such a platform to facilitate global demand-supply matching and solution exchanges for sustainable development through South-South and Triangular cooperation.

Maximizing the development benefit from various modalities

South-South cooperation, by making contributions to productive capacity, infrastructure, technology transfer, policy innovation, joint solutions and common development agenda, can contribute to all the seventeen Sustainable Development Goals. Such broad development benefits should be embedded in various modalities of South-South cooperation and opportunities therein must be expanded.

This raises challenges to the development cooperation managers and practitioners, to ensure that trade, investment, technology transfer and knowledge sharing address the demands of developing countries as prioritized in their development strategies. We will need to ask the questions about jobs created by trade and investment, opportunities enlarged for women and youth, as well as social environment impact of South-South projects to distill the best development result out of South-South cooperation including all its modalities.

Develop capacity to achieve truly equal partnerships

South-South cooperation is mutual support and should be a win-win solution. All have something to offer and to receive under such a framework. However in reality capacity gaps often lead to less equal partnership or unrealized mutual benefits. Countries and non-state actors also have a disproportionate ability to manage and participate in South-South and Triangular cooperation mostly because capacities to share, access, plan, coordinate and monitor are variable across participants.

In spite of an often high level of interest and commitment to cooperation, policies, regulations and procedures across developing countries may be having unintended effect of making it tougher for Southern partners to benefit from each other's knowledge, products and services. Policy incoherence, along with a lack of institutional capacities for cooperation can produce barriers between countries and hamper the growth of South-South and Triangular cooperation. As a result, there may be many more partners at present who want to engage in South-South cooperation but cannot do so because of still unresolved constraints.

Therefore, supporting country's capacity, including that of state and non-state actors, of emerging economies as well as least developed countries, would be important. The support is needed at strategic, policy as well as institutional levels. For example, UNDP assisted Mexico (AMEXCID) and Thailand (TICA) in consolidating its experiences as a South-South cooperation provider. In Iraq, UNDP supported the government in establishing a South-South cooperation unit in the Prime Minister's Advisory Commission (PMAC). In Haiti, UNDP supported better coordination of various cooperation modalities and assistances.

To conclude, the world is setting onto a journey to achieve sustainable development for all, leaving no one behind. We need to achieve that by fully utilizing South-South and triangular cooperation, to help build an inclusive global partnership, that can feature win-win strategies and equal partnership. As a Chinese saying goes, 'many hands make brighter light'. As we add energy to global development together, let the warmth and light shared by all.