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**Triangular co-operation:
Emerging policy messages and
interim findings from analytical work**

**The Development
Assistance Committee:
Enabling effective development**

Emerging messages for policy makers on triangular co-operation

Triangular co-operation has received increased international attention and recognition in recent years. This brings with it a need for more clarity on what triangular co-operation is, how it is implemented and how it can support development effectively. Drawing on the interim findings from inclusive analytical work carried out at the OECD to address these issues, the following messages for policy makers are emerging:

- While there is no internationally agreed definition, triangular co-operation is often understood as a partnership where one or more providers of development co-operation or international organisations support South-South co-operation, joining forces with developing countries to facilitate a sharing of knowledge and experience among all partners involved. Knowledge sharing, mutual learning and capacity development are consequently at the heart of triangular co-operation.
- Triangular co-operation is a way to build on the comparative advantages and complementarities between different development actors and unites them in pursuit of the common goal of reducing global poverty and promoting sustainable development.
- The value of triangular co-operation resides in long-term capacity development of developing countries to create and share development solutions.
- Triangular cooperation builds on and adds value to bilateral relationships as resources and expertise are brought together to make a whole that is greater than the sum of its parts. Thus, it complements – but does not substitute for – bilateral co-operation (or indeed multilateral assistance).
- There is no single model of triangular co-operation, but rather a diversity of approaches designed to capture opportunities for collaboration and learning. The international community should embrace this diversity instead of limiting it to one definition.
- Identifying solutions that can be shared through triangular co-operation poses some challenges. Countries and international organisations can use their knowledge networks and existing bilateral relations to identify good practice and innovations that can be shared through triangular co-operation.
- New institutional mechanisms for triangular co-operation are not necessarily required; dedicated funding can help start up triangular co-operation, but sustainability can be ensured through existing mechanisms.
- There is a need to better assess the impact of triangular co-operation. More evaluations would help build understanding about its contribution to development and enable more lessons to be drawn on how to meet its challenges.
- There is a need to track statistics and information on triangular co-operation, in the reporting of both in-coming and out-going development co-operation.
- Triangular co-operation is more effective with political support. Strong political commitment helps to ensure good implementation of triangular co-operation. To do so, implementing agencies should be mandated and supported to participate in triangular co-operation.
- Moving this agenda forward should be a joint effort by all partners in triangular co-operation. Each partner can contribute its own perspective and comparative advantage to promote, collectively, better and more effective triangular co-operation.

Once completed, this analytical work and policy messages will be presented and discussed at a global policy dialogue in early 2013 in Lisbon. A final report will subsequently be forwarded to the Global Partnership for Effective Development Co-operation.

INTERIM FINDINGS FROM ANALYTICAL WORK ON TRIANGULAR CO-OPERATION

Background

1. Triangular co-operation has received increased international attention and recognition in recent years. This interest has been prompted by the economic growth and development in several middle-income countries, which are taking a more active role in promoting international development, as well as by the renewed focus on knowledge sharing as a powerful engine for development. As a result, providers of development co-operation and international organisations are increasingly looking for opportunities to work together with these countries through triangular co-operation. Furthermore, recent high-level meetings on development co-operation – including the United Nations High-Level Conference on South-South Co-operation in 2009 in Nairobi and the 4th High-Level Forum on Aid Effectiveness in 2011 in Busan – have recognised the importance of triangular co-operation as a means of achieving development results.

2. This increased attention and recognition brings a need for more clarity on what triangular co-operation is, how it is implemented and how it can support development effectively. With this objective in mind, the OECD Development Co-operation Directorate (DCD) is carrying out some analytical work on triangular co-operation in 2012 and 2013. The DCD is adopting an inclusive approach to this work, involving all key partners in triangular co-operation, i.e. providers of development co-operation, developing countries and international organisations. The following products are being prepared:

- A *literature review*, up-dating the 2009 report “Triangular Co-operation and Aid Effectiveness” (OECD, 2009)¹.
- A *survey* based on responses from 73 countries and organisations engaged in triangular co-operation (out of 150 requests sent). Responses were received from 26 DAC members and other providers of development co-operation, 16 international organisations and 31 developing countries (see Annex I for the list of respondents).
- A *brainstorming meeting* with 24 experts with in-depth knowledge and practical experience of triangular co-operation (see Annex II for the list of countries and international organisations represented).

3. Drawing from the interim findings from these three pieces of work, this note discusses what triangular co-operation is, maps the current “state of play”, identifies the characteristics and the conditions for good triangular co-operation and proposes some options for the way ahead. These findings will be elaborated in a summary report to be presented and discussed at a global policy dialogue in early 2013 in Lisbon. After completion, the report will be forwarded to the Global Partnership for Effective Development Co-operation.

1. The 2009 report is available on the Internet at: www.oecd.org/dac/46387212.pdf

What is triangular co-operation?

4. There are multiple descriptions of triangular co-operation but no internationally agreed definition. The literature review and the survey found that descriptions of triangular co-operation vary according to the actors involved (some descriptions include non-state actors, such as civil society organisations and the private sector, as well as governments and international organisations), roles of each partner and the modalities used. At the same time, there is a widely held understanding that triangular co-operation involves at least one provider of development co-operation or one international organisation joining forces with one or more providers of South-South co-operation (SSC) to facilitate a sharing of their knowledge and experience or otherwise promote development in other developing countries. It unites different development partners in pursuit of the common goal of reducing global poverty and promoting sustainable development.

5. Participants in the brainstorming meeting preferred to describe triangular co-operation by focusing on the role of partners involved. According to these technical experts, there are three distinguishable roles:

- The *facilitator* helps to connect countries and organisations to form a triangular partnership and gives financial and/or technical support to the collaboration.
- The *pivotal partner* shares its knowledge and expertise.
- The *beneficiary* is the target for the development results to be achieved by the initiative and is responsible for ensuring that results are sustainable.

6. These roles of *facilitator*, *pivotal partner* and *beneficiary* are sometimes clearly attributed to each partner; but partners can also play more than one of these roles. In addition, there can be more than one country playing the role of facilitator, pivotal and/or beneficiary partner in triangular co-operation.

7. All three pieces of work show that there are many ways of establishing triangular co-operation. As pointed out during the brainstorming meeting, since triangular co-operation is designed to capture opportunities for collaboration and learning, there is no single way for triangular co-operation to happen. Initiatives may flow from:

- A facilitator connecting two (or more) developing countries to share innovations and development solutions.
- A facilitator supporting a pivotal partner to share its knowledge and expertise with one or more beneficiary partners.
- A facilitator supporting some existing SSC (be it bilateral, regional or cross-regional).
- A bilateral co-operation activity being replicated in a third country.
- A pivotal partner joining an existing bilateral co-operation activity to provide knowledge and expertise.

The “state of play” in triangular co-operation

8. The literature review and the survey show that triangular co-operation is happening in every region. The survey shows that many initiatives happen in Africa, Asia and Latin America, and fewer in Europe and Oceania. The survey also shows that the key countries currently engaged in triangular co-operation are Brazil, Chile, China, Japan, Germany, Mexico, South Africa, Spain and the United States.

Among the international organisations, the United Nations’ technical agencies play an important role, but many other organisations are involved as well (including the regional development banks, the World Bank and the International Monetary Fund). According to the literature review, triangular co-operation tends to take place in the same region and among countries with common features (e.g. geographical proximity, same language or similar cultural heritage).

9. Another common finding from the literature review and the survey is that triangular co-operation is implemented in many different sectors, particularly through technical assistance projects. The sectors most often cited in the survey were: government and civil society, agriculture, health and multisector/cross-cutting issues (e.g. environment and climate change).

10. It is difficult to estimate the volume of triangular co-operation activities. There is very little information available in the literature and many survey respondents could not provide their exact number of activities implemented, nor the amount of financial resources involved. This indicates that better tracking of the number and volume of triangular co-operation activities is an important area for future work. The survey did, however, provide some information. It shows that most of those who responded have engaged in less than 10 triangular co-operation initiatives, most providers of development co-operation and international organisations invested less than USD 10 million per year and most beneficiaries received less than USD 5 million in total through triangular co-operation.

Distinctive characteristics of triangular co-operation

11. A strong message from the survey, which was echoed by the participants at the brainstorming meeting, is the value of knowledge sharing, mutual learning and capacity development through triangular co-operation. Triangular co-operation usefully builds on the comparative advantages and complementarities between the different actors involved, so as to create opportunities for sharing knowledge and expertise. Participants at the brainstorming meeting also noted that, as developing countries innovate and create solutions to their development challenges, triangular co-operation offers an opportunity for disseminating their successful experiences, thus promoting learning among all partners involved.

12. The brainstorming meeting concluded that triangular co-operation often emerges from bilateral relationships – be it North-South or South-South – building on and complementing these. Through bilateral co-operation, partners can identify knowledge to be shared through triangular co-operation. Bilateral co-operation can also provide institutional arrangements to support implementation of triangular co-operation. Therefore, new implementation mechanisms are not necessarily required: dedicated funding can help to start up triangular co-operation, but sustainability can be ensured through existing mechanisms used in bilateral co-operation. In turn, triangular co-operation adds value to bilateral co-operation, as resources and expertise are brought together to make a whole that is greater than the sum of its parts. Participants in the brainstorming meeting further concluded that implementation of triangular co-operation is easier when it is anchored in, or related to, existing bilateral co-operation between the partners.

13. Participants in the brainstorming meeting also considered that triangular co-operation has a “multiplier effect”, combining efforts of different development partners and strengthening developing countries’ capacity to share their development experiences, knowledge and innovations with other developing countries.

14. Respondents to the survey and participants at the brainstorming meeting identified co-ordination and communication as two important challenges for triangular co-operation. According to the survey, the co-ordination challenge arises particularly from differences in work style, a lack of specific guidelines for engaging in triangular co-operation, a lack of developing countries’ capacity to engage in development co-operation as well as a lack of flexibility in the requirements made by providers of development

co-operation when negotiating with developing countries. The challenge is therefore to be flexible and adaptable to the needs, culture and contexts of different partners while ensuring that triangular co-operation also follows guidelines and quality standards. Participants in the brainstorming meeting noted that many of these issues also arise in bilateral co-operation; however, they agreed that because there are three or more partners in triangular co-operation communication is slower and more difficult, which can impact negatively on co-ordination.

15. There is an assumption that the number of partners involved in triangular co-operation could lead to more difficulties and delays in negotiation, communication and co-ordination. Indeed, both the literature review and the survey indicate that difficulties in co-ordination can lead to higher transaction costs, in comparison to bilateral co-operation. However, participants in the brainstorming meeting did not reach a consensus on whether transaction costs are necessarily higher than those in bilateral co-operation. Some participants questioned whether this is a common trait of all triangular partnerships: if impact is taken into account to evaluate the cost/benefit of triangular co-operation, the results achieved may more than offset the costs of co-ordinating with an increased number of partners. This is due to the fact that triangular co-operation can scale up results of bilateral co-operation and have a broader reach.

16. There is a general lack of monitoring and evaluation of triangular co-operation, a clear finding from both the survey and discussions at the brainstorming meeting. This hampers greater understanding of triangular co-operation and makes it difficult to demonstrate its results and impact.

Conditions for good triangular co-operation

17. The conclusions of the brainstorming meeting and the survey identified some of the features of “good” triangular co-operation:

- a) Shared objectives, even though partners may have different interests.
- b) Strong commitment and involvement of all partners, ensuring ownership of the beneficiary partner.
- c) Establishment of needs-driven partnerships, which depend on the ability of beneficiaries to clearly articulate their needs and priorities as well as on a clear commitment by all partners to respect beneficiaries’ national priorities and promote the socio-economic well-being of the local population.
- d) Agreement on implementation mechanisms and the division of responsibilities among partners. Partners can build on and adapt established mechanisms of bilateral co-operation which minimises the time-consuming process of establishing new mechanisms for triangular co-operation.
- e) Regular monitoring and evaluation as well as mutual accountability among partners. Partners should agree on common indicators so that evaluation and accountability involves all parties.
- f) Strong communication among all partners, with a common understanding of technical language. Communication can be facilitated by: i) using existing bilateral channels of communication, ii) establishing focal points for each partner, and iii) involving country offices of providers of development co-operation and international organisations that have direct access to pivotal and beneficiary partners.
- g) Strong political support, which will ensure easier implementation.

- h) Achievement of development results and a multiplier effect in developing countries, which will ultimately lead to more sustainable development impact.

18. The brainstorming meeting also identified some features that tend to contribute to – but are not required for – “good” triangular co-operation:

- a) Cultural, linguistic and institutional similarities among partners, which make collaboration easier.
- b) Existing bilateral relationships can ensure a higher level of trust among partners and support implementation. At least two of the three bilateral links should be strong.

The way ahead

19. The interim findings from the three pieces of analytical work on triangular co-operation point to possible areas for attention in the future. Looking further ahead, partners could focus on:

- a) Translating high-level political commitment into practice. Implementing agencies could be mandated and supported to participate in triangular co-operation. Dedicated funding can help start up and maintain triangular co-operation activities.
- b) Sharing experiences on how to build on respective comparative advantages and complementarities to create opportunities for sharing knowledge, learning and building capacity through triangular co-operation.
- c) Better mapping of solutions that can be shared through triangular co-operation. Countries and organisations can use their knowledge networks to identify good practices and innovations that can be shared. International organisations and providers of development co-operation can help, particularly through their country offices, by: i) identifying valuable capacity, knowledge or innovation in a developing country that can be transferred to other developing countries; and ii) connecting two or more developing countries to scale up development solutions. Centres of excellence in developing countries should be strengthened.
- d) Sharing lessons on improving co-ordination and communication, including by examining how to make existing institutional frameworks and arrangements more flexible and considering how to adapt these to the needs of triangular co-operation.
- e) Tracking statistics and information on triangular co-operation (in in-coming and out-going development co-operation).
- f) Monitoring and evaluating triangular co-operation more regularly, to help understand its contribution to development and draw lessons on how to meet its challenges. Common standards for doing so could be developed, ideally building on existing agreed standards where they exist, for example on development evaluation.

20. Moving this agenda forward should be a joint effort by all partners in triangular co-operation. Each partner can contribute its own perspective and comparative advantage to promote, collectively, better and more effective triangular co-operation.

ANNEX I:

RESPONDENTS TO THE SURVEY ON TRIANGULAR CO-OPERATION

DAC Members and other Providers of Development Co-operation	International Organisations	Developing Countries
Australia Austria Canada Czech Republic Denmark Estonia Finland Germany Greece Ireland Israel Italy Japan Korea Luxembourg Netherlands New Zealand Poland Portugal Slovak Republic Slovenia Spain Sweden Switzerland United Kingdom United States European Union	African Development Bank Arab Bank for Economic Development in Africa Asian Development Bank Caribbean Community Food and Agriculture Organisation Inter-American Development Bank International Monetary Fund Islamic Development Bank Kuwait Fund for Economic Development New Partnership for Africa's Development Pan American Health Organization Organisation of American States Organisation Internationale de la Francophonie Special Unit for South-South Co-operation, UNDP World Trade Organisation	Afghanistan Armenia Bangladesh Benin Bolivia Brazil Burundi Cambodia Cameroon Cape Verde Central African Republic Chile Colombia Costa Rica Egypt El Salvador Gambia Guatemala Honduras Madagascar Mali Mauritania Mexico Moldova Mozambique Niger Paraguay Peru Saint Vincent and the Grenadines Sao Tome and Principe Thailand

ANNEX II:

PARTICIPANTS IN THE BRAINSTORMING MEETING ON TRIANGULAR CO-OPERATION

Based on the literature review and the survey on triangular co-operation, the OECD Development Co-operation Directorate identified a small group of countries and organisations involved in this type of development co-operation and invited them to participate in a brainstorming meeting on 13-14 September 2012 in Lisbon, Portugal. Particular attention was paid to ensure a balanced representation of different types of partners involved in triangular co-operation. Representatives from the following countries and organisations attended the meeting:

- Bolivia
- Cameroon
- Chile
- Egypt
- Germany
- Japan
- Mexico
- Mozambique
- Portugal
- South Africa
- Tanzania
- Thailand
- Turkey
- United Kingdom
- United States
- Special Unit for South-South Cooperation, UNDP