For decades, developing countries have supported each other through South-South co-operation to transfer, adapt, acquire and pool knowledge and experience to achieve economic growth and poverty reduction. To the same end of promoting growth and poverty reduction in developing countries, high income countries have provided development co-operation in different forms over the past 60 years.

South-South co-operation (SSC) and North-South co-operation (NSC) arise from different historical backgrounds and have their own distinctive features. Over the past 60 years, they developed in parallel without much contact as two separate traditions of development co-operation. However, SSC and NSC share a common goal: to increase the well-being of people in developing countries. Despite differences in the terms they use, actors of NSC and SSC also share a set of principles for development co-operation. This document charts out the common ground in the principles of NSC and SSC that have been endorsed in their respective official statements and declarations.

With the target date for the Millennium Development Goals (MDGs) only three years away and an estimated 1.4 billion people in the world still living on less than USD 1.25 a day, it is crucial that development co-operation actors build on shared values to establish broader and more inclusive partnerships to accelerate poverty reduction. The Fourth High Level Forum on Aid Effectiveness, which will be held in Korea in November 2011, provides a unique opportunity to lay the foundations of broader and more effective global partnerships for development which – while accounting for different roles and responsibilities – are based on common development effectiveness and co-operation principles.

Ongoing co-operation efforts

During the past decades, developing countries have undertaken efforts to address common challenges, creating common regional markets, institutional and regulatory frameworks, custom unions, and inter-state transport and communications networks. These are all forms of South-South co-operation, a broad concept which also includes a specific development co-operation dimension: the provision of expertise and financial support to developing countries from developing countries to promote sustainable development.

Developing countries laid the foundations for South-South co-operation in the Declaration on Promotion of World Peace and Cooperation, adopted in Bandung, Indonesia, in 1955, which included principles such as: respect for fundamental human rights and for the sovereignty and territorial integrity of all nations, equality of all nations and promotion of mutual interests and co-operation.

In 1978, recognising that technical co-operation among developing countries is a critical means for fostering national and collective self-reliance, delegations from 138 states adopted the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries (TCDC). The Buenos Aires Plan of Action builds on the Bandung principles, setting out a comprehensive conceptual and operational framework of technical co-operation among developing countries.

The Buenos Aires Plan of Action has since been reaffirmed and reinforced in resolutions of the General Assembly, the Economic and Social Council, and the High-Level Committee on the Review of Technical Co-operation among Developing Countries.
Although discussions on the best way to co-operate have continued among SSC partners in many international fora, the recent economic dynamism of some developing countries has given SSC new momentum. In 2009, two important documents were endorsed by developing countries to guide efforts toward better co-operation: i) the Ministerial declaration of the 33rd Annual Meeting of the Ministers of Foreign Affairs of the member states of the Group of 77 and China; and ii) the outcome document of the High Level United Nations Conference on South-South Co-operation held in Nairobi. Both documents build on the Buenos Aires Plan of Action, but for the first time explicitly include principles such as: inclusiveness (outlined in both documents), and transparency, mutual accountability, quality and results (outlined in the Nairobi outcome document).

Developed countries, in their NSC efforts, have, since the 1990s, led discussions in their own right on how development co-operation can more effectively propel sustainable development in developing countries. In 2005, over one hundred countries agreed on the Paris Declaration on Aid Effectiveness, founding development co-operation on principles such as: i) partner country ownership of the development process; ii) donor alignment to partner countries’ needs; iii) harmonised practices and procedures of donors; iv) results; and v) mutual accountability. These principles were reiterated in 2008 in the Accra Agenda for Action, where development partners also explicitly recognised the beneficial role of SSC in promoting development (para 14b).

Following Accra, a group of countries formed a task force to hold an evidence-based dialogue on experiences and practices of South-South co-operation in the context of aid effectiveness. The dialogue they initiated culminated in the endorsement of the Bogota Statement in March 2010, which encourages all development actors to adopt inclusive approaches, improve measurement and monitoring of results and transparency, promote demand-driven SSC and make use of triangular co-operation (i.e. when three or more development actors – from different countries and organisations – are part of the co-operation process).

**Common ground between South-South and North-South co-operation**

Looking closely at the principles of NSC and SSC we find that, surprisingly, despite well-known differences, there is substantive common ground between them which has so far received little attention.

Since NSC and SSC developed rather independently as two separate traditions of development co-operation, they did not formally engage in a dialogue on the principles on which their co-operation efforts rest. Nevertheless, it seems that the evolution of the principles of both NSC and SSC has led to a convergence on several points.

On one hand, in the Paris Declaration partners of NSC have affirmed a principle –the principle of ownership- that holds clear common ground with the notion of horizontal relations that has been a prerogative of the approach of SSC from the very beginning. Similarly, while having a specific development co-operation dimension, SSC mainly intended to address common challenges and to favour trade and investments. The new emphasis that NSC partners are placing on “aid and beyond” shows a convergence towards the idea -which has for long been a pillar of SSC- that co-operation should have an impact on broader development processes.

On the other hand, in the Nairobi outcome document, for the first time, partners of SSC explicitly include principles that have long been supported by NSC partners, such as: inclusiveness, transparency, mutual accountability, quality and results.

Therefore, despite there not being a conscious effort towards convergence, NSC and SSC partners have endorsed values and principles that show profound commonalities - and these are strengthening over time.

What follows is a more detailed illustration of this commonality.

**Ownership**

Co-operation – be it North-South or South-South – is intended to respond to the needs articulated by developing countries to support their development processes. This fundamental principle is found in the declarations and statements of both SSC and NSC:

- In the first of nine objectives set for TCDC in the 1978 Buenos Aires Plan of Action (para ii.1.a) : “To foster the self-reliance of developing countries through the enhancement of their creative capacity to find solutions to other development problems in keeping with their own aspirations, values and special needs.”

- In the 2008 Accra Agenda for Action (para 12): “Developing countries determine and implement their development policies to achieve their own economic, social and environmental goals.” And in the Paris Declaration (para 14-15): “Partner countries exercise effective leadership over their development policies and strategies, and co-ordinate development actions.”
Broad participation in the development process and inclusive ownership

There is an important contribution that can – and should – be made to sustainable development by parliamentarians, civil society, academia and the private sector.

SSC partners have affirmed this principle in many statements:

- In the Nairobi outcome document (para 19): “South-South co-operation embraces a multi-stakeholder approach, including non-governmental organizations, the private sector, civil society, academia and other actors that contribute to meeting development challenges and objectives in line with national development strategies and plans.”

- In the Bogota Statement (para i): “An inclusive approach to ensure sufficient voice for all development stakeholders” is a requirement for effective SSC, and (para ix): “Parliamentarians, civil society organisations and the private sector should be engaged in implementing SSC to tap their comparative advantages.”

- In the Ministerial declaration of the 33rd Annual Meeting of the Group of 77 and China (para 70 g): “[SSC is] based on strong, genuine, broad-based partnership.”

Similarly, NSC partners affirmed it:

- In the Paris Declaration (para 14): “[Partner countries will] exercise leadership in developing and implementing their national development strategies through broad consultative processes.”

- In the Accra Agenda for Action to (para 13): a) Developing country governments will work more closely with parliaments and local authorities in preparing, implementing and monitoring national development policies and plans. They will also engage with civil society organisations (CSOs). b) Donors will support efforts to increase the capacity of all development actors—parliaments, central and local governments, CSOs, research institutes, media and the private sector—to take an active role in dialogue on development policy and on the role of aid in contributing to countries’ development objectives.

Demand-driven capacity development

Both NSC and SSC partners recognise that in order to meet the challenge of achieving sustainable development results, countries need the capacity to make the policy decisions that are right for them. Both SSC and NSC partners also acknowledge that enhanced capacities should result from programmes that respond to the demand and needs of developing countries. These ideas are articulated in both the Nairobi outcome document, and in the Paris Declaration and Accra Agenda for Action:

- In the Nairobi outcome document (para 13): “[There is] the need to enhance local capacity in developing countries [...] in contribution to national development priorities, at the request of developing countries.”

- In the Accra Agenda for Action (para 14): “Without robust capacity – strong institutions, systems, and local expertise – developing countries cannot fully own and manage their development processes. [...] Donors’ support for capacity development will be demand-driven and designed to support country ownership.”

Mutual accountability

In a balanced partnership, all members are reciprocally accountable for the commitments made.

- This line of thought is expressed in the Nairobi outcome document, where increased mutual accountability is recognised as key to making SSC partnerships more effective (para 18): “We acknowledge the need to enhance the development effectiveness of South-South cooperation by continuing to increase its mutual accountability”.

- Similarly, the Paris Declaration marks a shift from unidirectional accountability to mutual accountability, to signify that the partnership between recipients and providers of development co-operation is not a principal-agent relation, but one in which both parties are equally and reciprocally responsible for meeting their respective commitments. The Paris Declaration states that together (para 47): “Donors and partners are accountable for development results.”
Monitoring the impact of development co-operation

Both SSC and NSC partners recognise that their actions should be assessed against their impact on the lives of the world’s poor. For both SSC and NSC partners, this principle has at least two implications: i) results need to be measured and monitored; and ii) a result is not the amount of inputs and resources channelled to development co-operation, but the contribution of development co-operation to improving the living conditions of its beneficiaries in meaningful ways.

- The Nairobi outcome document states (para 18): “The impact of South-South co-operation should be assessed with a view to improving, as appropriate, its quality in a results-oriented manner.”
- The Accra Agenda for Action states that (para 22): “We will be judged by the impacts that our collective efforts have on the lives of poor people,” and – rather than on the inputs and instruments – the focus of development co-operation has to be on delivering results.

Transparency

The accountability of development partners hinges heavily on their ability to provide information on how resources allocated to development co-operation are spent. Therefore, consistent with their commitment to mutual accountability, SSC and NSC representatives have made increased transparency a priority of their co-operation efforts.

- In the Nairobi outcome document (para 18): “[SSC partners] acknowledge the need to enhance development effectiveness of South-South Cooperation by continuing to increase its mutual accountability and transparency.” And in the Bogota statement (para iii): “[SSC partners shall] improve measurement, monitoring and transparency of SSC.”
- In the Accra Agenda (para 22): “[NSC partners affirm] that greater transparency and accountability for the use of development resources – domestic as well as external – are powerful drivers of progress.”

Development beyond aid

SSC has never been only about providing technical co-operation and funding to other developing countries. Right from the start – with the aim of promoting growth and poverty reduction in developing countries – SSC has given impetus to forge regional and sub-regional treaties/arrangements and to establish the necessary institutions to facilitate policy exchanges, trade and investments. Underpinning this approach is the idea that assistance alone cannot grant sustainable development.

While NSC partners have always acknowledged that aid is only one element contributing to development, the recognition that development co-operation should have an impact on broader development processes is now gaining momentum. To make this happen, two instruments are identified in the ongoing discussions of the Working Party on Aid Effectiveness and expressed in official addresses by providers of development co-operation (for example, United States Secretary of State Hillary Clinton’s address as Chair of the 2011 OECD Annual Ministerial Council Meeting). The first instrument is leveraging other sources of funding for development. The second instrument is establishing more coherent approaches across a wide array of policy areas that impact on development, such as trade, agriculture, investment, energy, military security and migration.

Common principles for a new global partnership?

Today, development co-operation is populated by more actors and more sources of funding, and is delivered through more modalities than just a decade ago. This new and diversified development co-operation landscape offers developing countries a wider array of options to choose from, with large potential benefits to their development processes. To avoid offsetting these benefits with the costs of increased complexity, development partners need to find ways to provide co-operation in a coherent and co-ordinated manner.

There was probably never a doubt that South-South and North-South co-operation are complementary and that they are not meant to exclude each other. Although SSC and NSC arise from different historical backgrounds and possess their own distinctive features, they share the common objective of promoting sustainable growth and reducing poverty in developing countries. They are also both founded on principles that share common ground, as described here in detail. So SSC and NSC are not only complementary, they have more in common than what divides them.

On this common ground, a broader global partnership for development can be built. The Fourth High Level Forum on Aid Effectiveness in November 2011 is a golden opportunity for SSC and NSC partners to forge a new global partnership which – while accounting for different roles and responsibilities – rests on agreed, common values. In the field, this new global partnership will need to translate into a new architecture of development co-operation, where SSC and NSC providers respond to partner countries’ needs in a co-ordinated and coherent fashion. By joining efforts and building on common ground, poverty can become a thing of the past.