

Triangular Cooperation: New Paths to Development

Summary Report of the Discussions and Experiences presented in the 1st International Symposium on Triangular Cooperation

Written by
Edien Pantoja,
Consultant

Revised by
Cristina Elsner
Technical Adviser - Triangular Cooperation Program, GTZ-Brazil

July 2009

1. Context

Although triangular technical cooperation has been the object of discussion in many countries, its practices and methods haven't been much described and debated. Triangular cooperation provides joint assistance to third party countries in order to foster their development, with the coordinate use of human, technological and financial resources from the parties involved. This new concept of cooperation involves i) new providers; ii) recipient countries; and iii) traditional donor countries and international organizations.

The objective of this text is to systematize the main ideas on triangular cooperation that were presented and discussed during the 1st International Symposium on Triangular Cooperation – “New Paths to Development”; which took place in Brasília, Brazil, on May 20th and 21st, 2009. The symposium was organized by the Brazilian Cooperation Agency (*Agência Brasileira de Cooperação – ABC*) and the German Ministry for Economic Cooperation and Development (*Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung – BMZ*), represented by GTZ, and the European Commission.

Approximately 150 people participated in the event, including Brazilian and international guests, decision-makers and executives involved in political-strategic guidance and technical implementation of triangular projects. The first day featured lectures by representatives of international cooperation from 11 countries (South Africa, Germany, Angola, Brazil, Chile, Haiti, Japan, Mexico, Paraguay, the United Kingdom and the Dominican Republic), as well as the European Commission and the UNO. The lectures presented triangular cooperation concepts, experiences and lessons learned. On the second day, participants were split into three discussion groups, in which moderators led participative debates on the following topics: i) how to go about triangular cooperation; ii) comparative advantages of triangular cooperation and iii) lessons learned and good practices of triangular cooperation.

This systematization is based on presentations delivered by the lecturers, their reports and quotes. No additional research on the topic was made. There is no intention of proposing definitions, concepts nor formats about how to carry out triangular cooperation. The purpose is simply to present briefly the core issues concerning triangular cooperation and its relevant discussions at the symposium.

<p><i>New provider countries</i> are those which, in the past, were recipients of international cooperation and have attained a level of technical and economical development that enables them to pass their experiences, knowledge and lessons learned on.</p>
--

<p><i>Beneficiary countries</i> are those that participate in international cooperation by receiving technical, financial and operational input from new providers and traditional donors.</p>
--

<p><i>Traditional donor countries</i> are those that have been working with bilateral or multilateral cooperation and that nowadays count on the help of new providers to promote triangular cooperation.</p>

2. Introduction

The design of international cooperation has been changing quickly, specially concerning the participation of countries that have become recipients and donors. The specific contribution of south-south cooperation is already internationally recognized in

spite of different terminology used to identify its stakeholder. Close social and cultural realities, successful practices in reducing internal inequalities, favorable geographical location, similar language and history among recipient countries and new providers are some of the most valuable assets of south-south cooperation.

Problems in middle-income and developing countries have not been reduced as their economies thrived – in fact, poverty has increased. There are problems in sanitation and nutrition; access to safety, education and essential items such as water has become scarcer. Economic crises and the effects of climate change further worsen the scenery. It is important to use the knowledge and specific practices of new provider countries to achieve more effective contribution to sustainable development, attain the Millennium Development Goals and foster stronger political and institutional situations in recipient countries.

Triangular cooperation emerges as a **modality of international cooperation** and, in this context, has become increasingly more relevant as a tool to strengthen and articulate both specific and complementary contributions from north-south and south-south cooperation. Triangular cooperation can be particularly effective when it combines the specific knowledge and know-how of both traditional and new provider. There is, nevertheless, much work to do in order to harmonize processes and methodologies, as well as to find solutions to the challenges posed by triangular cooperation.

3. What is Triangular Cooperation all about?

Experiences in international cooperation show global and regional interdependence in questions regarding poverty and inequality. Combined efforts and expertise of new provider countries in approaching some specific issues related to poverty has been a key factor to drive processes and achieve development goals more effectively. The participation of these new stakeholder in the international cooperation scenario has made it possible to create and experiment new approaches and methods to attain sustainable development.

This is the context in which triangular cooperation emerges as one **more modality** of international cooperation, along with bilateral, multilateral and south-south cooperation. In fact, triangular cooperation drives another type of relationship among traditional donors, medium-income countries and higher-income countries – the new providers, who contribute to cooperation initiatives with new knowledge, ability and competitiveness.

The 1st International Symposium on Triangular Cooperation displayed a variety of concepts and definitions regarding the theme. Some stakeholder have a positive understanding of triangular cooperation, indicating the success of other international cooperation practices (bilateral and multilateral) which, in their turn, have given their contribution so new provider countries could acquire capacity and expertise to work with traditional donors in cooperation efforts. Based on the existing experiences, it is possible to say that triangular cooperation is the result of increased and enhanced dialogue between south-south and bilateral cooperation, and not necessarily an evolution of these cooperative relationships and practices. It is, actually, an instrument that is complementary to them.

4. Defining Triangular Cooperation

Triangular cooperation shares and uses many requirements and guidelines applied to other types of international cooperation. Like other modalities, triangular cooperation

contributes to sustainable development and produces both tangible results and impact on the local reality that can be measured.

For traditional donor countries, triangular cooperation implies the cooperation with new provider countries on technical cooperation initiatives with beneficiary countries. Some new providers and recipients, on the other hand, understand that triangular cooperation can have other configurations besides the one presented by traditional donors: it could also imply in the association among new providers and recipients only or among traditional donors and recipients only.

Considering the Accra Declaration and the Heiligendamm process, triangular cooperation initiatives must be planned, funded and executed by a partnership that must include, at least, one traditional donor, one new provider active in south-south cooperation, and a third recipient country. According to this definition, funding and execution are to be implemented jointly by the traditional donor and the new provider. Some countries currently adopt this definition, even recognizing that it includes only the dimension of triangular cooperation as north-south-south cooperation, therefore excluding south-south-south and north-north-south cooperation.

5. Goals and Themes

In general, triangular cooperation assumes meeting the demands of recipient countries respecting their national priorities and must, therefore, be aligned with national policies of recipient countries. Thus, triangular cooperation presents itself as a strategic option to articulate expertise, knowledge, professional qualification and both material and financial resources in order to find solutions to specific problems and leverage sustained development processes in the country. Furthermore, triangular cooperation contributes to expand contact networks and enhance regional integration in the recipient country, as well as to develop capacities in other countries.

This way, the themes approached by triangular cooperation have responded to the interests of recipient countries and considered the relevant experience of new providers. Present experiences have focused on professional training, technological transfer, agricultural development, the environment, water and water resource management, roads, electricity and energy, implementing education and health centers and others.

6. Principles

Current experiences point to some general principals in triangular cooperation:

- I. Solidarity and Collaboration – concerns sensitiveness to global issues that affect many regions, such as poverty and hunger, climate change and the need for economic and social development.
- II. Partnership – partnership in building egalitarian, horizontal relations among countries involved in triangular cooperation, regardless of their role or specific function. This implies in political dialogue, technical and financial coordination and the establishment of harmonic procedures and positions in all stages of cooperation – from planning to evaluation.
- III. Respect for cultural differences and organization autonomy – respect for cultural differences and organization autonomy of the different stakeholder involved are central for establishing initiatives that are adequate to the social and political reality of the beneficiary country.

- IV. Accountability – accountability is related to sharing responsibilities among stakeholder and to the transparency in decision making processes. It is important to provide recipient countries with empowerment and property in the cooperation process. Defining clear procedures and transparent accounts – both internal and external – favor accountability.
- V. Ownership – Ownership is one of the most important principles in triangular cooperation. Ownership is related to the recipient’s capacity of internalizing and keeping the actions started or supported by international cooperation, such as by adopting policies or by institutionalizing procedures. An important indication of success is the degree to which a recipient country has owned the initiatives and results of international cooperation.
- VI. Sustainability – the construction of sustainability starts by identifying and planning cooperation initiatives and goes further to their alignment with national and political strategies of recipient countries. The sustainability of cooperation impacts and initiatives depends on the construction of technical and institutional capacities, as well as on creation of empowerment and ownership by the recipient country.
- VII. Flexibility – Flexibility is an important aspect in managing triangular cooperation processes. Different procedures and demands from each stakeholder in the cooperative process can affect negatively cooperation initiatives or even undermine them. Flexibility and harmonization are essential to synchronize and adequate procedures. Even more important, those will reduce transactional costs and increase efficiency related to the impacts resulting from the initiative.
- VIII. Complementariness – concerns associating different institutional strengths, technical capacities and expertise from both the new provider and the traditional donor in order to better meet the needs of recipient countries.

7. Comparative Advantages and Added Value

Thinking about *comparative advantage* and *added value* – two terms very much used during the Symposium – implies in coming up with and implementing development proposals that are able to articulate different competencies, abilities and resources from the stakeholder involved in cooperation with the objective of producing solutions that are more sustainable and adequate to the reality of the recipient country.

The experiences displayed in the Symposium have identified the following comparative advantages and added value:

- I. Comparative Advantages
 - Reduced cultural and linguistic barriers as a result of the participation of a new provider;
 - Strengthening the processes of integration and collaboration among countries in conditions to do so
 - similar socioeconomic situations;
 - involvement of new partners in the overall architecture of development assistance;
 - Improved coordination of cooperation, reducing effort duplication and dispersion; Improved relevance, effectiveness and cost-effectiveness of development assistance;

- New provider countries have made own successful experiences fighting poverty; these experiences are valued in triangular cooperation initiatives
- Access to new sources of funds for development;
- Expansion of foreign policy goals beyond the traditional ones;
- Increased sustainability of cooperation results.

II. Added Value

- Increased capacity gained by new providers;
- Optimized use of international resources and the promotion of greater action efficiency and effectiveness;
- Increased coverage of technical assistance due to the possibility of co-financing by the countries participating in the triangular cooperation initiative;
- Mutual benefits to the stakeholder involved as a result of exchanged experiences and learning;
- Consolidation of strategic partnerships between new providers and recipients.

8. Stakeholder

There are three key stakeholder in triangular cooperation: i) beneficiary countries ii) new provider; and iii) traditional donors. In spite of the use of these definitions, it is important to highlight that the vision of triangular cooperation debated in the Symposium considers that all countries, regardless of their position in cooperation relations, benefit from triangular cooperation initiatives. Everybody gives something as a contribution and receives something through learning.

Extending the analysis of the stakeholder, the discussions at the Symposium stressed the importance of the participation of other stakeholder in triangular cooperation initiatives, especially non-governmental ones. Non-Governmental Organizations (NGOs), universities, the UN and other international organizations are among the stakeholder that can contribute to the success of triangular cooperation initiatives.

The participation of the civil society was highlighted as an important aspect. However, the role of this specific actor's involvement in triangular cooperation is not yet clear since experiences are few, diverse and not systematized. For some, the participation of the civil society is considered to be that of service provider. Others consider it an important element to identify process demand and greater transparency, as well as an element to promote ownership and consolidation of the experience to local realities.

Specifically on the UN, the symposium emphasized the importance of this stakeholder in cooperation initiatives. The United Nations and its agencies are considered to have particularities that can drive triangular cooperation: an extensive network of contacts, the capacity of acting in all cooperation formats and modalities through the UN system, ability and to mobilize stakeholder, as well as a decentralized, capillary and multidisciplinary structure.

9. Modalities

There are basically three modalities in triangular cooperation:

- I. A new provider establishes a cooperation with a beneficiary country and the traditional donor country provides technical and financial resources.

- II. A beneficiary country establishes cooperation with a traditional donor, which, in its turn, provides the resources so a new provider or an international organization implements the planned actions.
- III. All stakeholder establish cooperation jointly, from identifying needs to implementing actions coordinately to monitoring and assessing impacts.

10. Mechanisms and Procedures

The mechanisms and procedures needed in a triangular cooperation initiative are generally the same in other cooperation modalities – bilateral, multilateral or south-south. That is to say triangular cooperation initiatives follow procedures that are well known and widely adopted in project management:

- Identification of demands and partners;
- Negotiation;
- Action planning and project formulation;
- Distribution of responsibilities between the parties;
- Signing of agreements, covenants, minutes, etc.;
- Execution / implementation;
- Monitoring activities;
- Impact assessment and learning process.

It is important to synchronize these processes in each project phase. Considering bilateral cooperation experiences, for example, it is possible to see that the time spent in each phase will many times make the cooperation process little effective, raising costs and affecting the feasibility of the proposal as well as its adequacy to local demands.

Triangular cooperation still needs specific instruments to harmonize operations and make them more effective. Current experiences in triangular cooperation have adapted instruments from the other modalities. The lack of specific tools may impact the ability to respond quickly to the need of agreements and implement the cooperation initiative.

The Symposium highlighted the importance of planning when coming up with cooperation proposals, considering this to be a key aspect to involve all partners and stakeholder affected by the cooperation. The right investment – in terms of both time and attention – in planning not only contributes to more sustainable proposals that are more adequate to reality, but also allows for more effective institutional arrangements and procedures that will make the implementation of cooperation initiatives more appropriate in a particular country. In this process, preliminary dialogues and consultation, as well as peer transmission, are mechanisms suggested to triangular cooperation.

11. Management and Coordination

The effectiveness and success of a triangular cooperation initiative starts with defining stakeholder goals and identifying a solid foundation of common interests that will make it possible to reach an agreement and implement partnership. To harmonize interests, the suggestion is a legal statute to guide management, defining clearly the roles and responsibilities of the stakeholder involved.

The organizational architecture for cooperation is another important aspect that depends largely on project size. The symposium suggested, for large projects, two levels of coordination structure: a supervisory board with a political nature, and a technical body with advisory and operational functions.

Other triangulation experiences discussed during the Symposium concern the role of international cooperation agencies as stakeholder that may facilitate the coordination and articulated implementation of cooperation initiatives.

In addition, flexibility in adapting mechanisms and instruments, harmonized cooperation actions and the use of planning and monitoring tools (such as execution flowcharts, technical visits, and revising and making assessment activities adequate) are required in results-oriented management. It is important to focus on monitoring since promoted stakeholder ownership and, consequently, higher chances of action sustainability once the operation is over. Another suggestion is effective management, commitment to results and that administrative costs cannot be higher than the costs of the core activities in the cooperation.

Considering the concern with establishing horizontal relations and sharing responsibility, creating bodies to articulate and coordinate actors becomes one of the management's core activities.

Finally, it is essential to highlight the importance of communications and a tool to promote transparent, accountable execution and management of cooperation initiatives.

Management in triangular cooperation projects can be of three types:

- I. Centralized – traditional donors and new providers execute and manage a cooperation effort jointly.
- II. Decentralized – execution and management are entirely under the responsibility of beneficiary countries.
- III. Delegated – the three actors agree to delegate execution and management to a fourth stakeholder; which can be either a public or private actor or an international organization.

The following requirements and conditions are suggested in order to foster management by results. There were made under consideration of the different roles of the stakeholders involved in triangular cooperation

- I. As to all stakeholder involved
 - Vision of development as one of the objectives of cooperation;
 - Conducting training and capacity building, aiming at technical and institutional strengthening;
 - Management of harmonized instruments, focusing on cooperation for development;

- Ability to monitor and assess impact;
- Knowledge of the social, economic and cultural reality of the recipient country;
- Training for financial management and accountability;
- Integrating the actions of international cooperation to the recipient's local policies

II. As to the stakeholder on charge of coordination

- Ability to identify demands;
- Ability to articulate the other actors and negotiation skills;
- high-level political support;
- Autonomy to discuss and implement cooperation;
- Budget allocated for triangular cooperation;
- neutrality in involving other actors;
- Knowledge of the recipient's local politics and of the schedule of other international cooperation actions.

12. Financing

Triangular cooperation allows expanding funding and joint financing. However, if on the one hand there are more funds, on the other hand articulation of different administrative demands and flexible procedures are a challenge to manage those funds and make cooperation possible.

There aren't agreed rules and regulations that apply to the composition of triangular cooperation initiative funding. The whole process has been a result of negotiations among actors. Based on some experiences, it is possible to observe the following funding formats:

- Joint Funding - traditional donors and new providers bring their financial resources in a common fund to fund an initiative;
- Parallel funding – traditional donors and new providers separately manage their contributions from a joint action plan;
- Unilateral funding - only a traditional donor funds the action, while the new provider performs specific actions.

13. Challenges

Challenges in triangular cooperation are diverse and include both administrative and program issues. They are listed below according to area of interest.

I. Challenges concerning management

- Reducing transaction and operational costs;
- Identifying financial transfer mechanisms that are more suitable for triangular cooperation;
- Advancing in the definition of funding modality
- Creating specific operational arrangements;
- Strengthening the legal and institutional framework;
- Building institutional arrangements that are efficient, effective and appropriate to reality;
- Aligning operational management and synchronizing the mobilization of human, technical and financial resources.

II. Challenges concerning the involvement of other stakeholder:

- Discussing the type of participation expected from the civil society and other organizations;
- Building a methodology for the participation and coordination of other public and private actors, including the civil society.

III. Challenges concerning the program:

- Systematizing and evaluating experiences in order to build concrete references and models;
- Promoting the communication of information and experiences;
- Conducting training programs for managers and technicians involved in international cooperation;
- Defining focal points in different countries to optimize information flow and sharing of management experiences.

14. Final Considerations

The 1st International Symposium on Triangular Cooperation made it possible for actors to share and discuss a variety of ideas and experiences, showing their great enthusiasm and political support to improve and promote new initiatives in triangular cooperation.

The importance of triangular cooperation as powerful tool to produce knowledge, learning and capacity was highlighted. It was also noted that, in general, triangular cooperation is oriented towards technical cooperation. Many contributions, however, identified the need to think of triangular cooperation more broadly, including political issues as well.

Therefore, it could be possible to invest in debate about strategic alignment that will contribute to the implementation of a policy of sustainable and social development.

Considering the interest in developing new triangular cooperation initiatives, it is essential to restate some elements, guidelines and principles that were the object of constant discussion during the event and that must be considered key aspects to success:

- Contributing to sustainable development;
- Promoting recipient ownership, empowerment and leadership;
- Increasing actor flexibility in adapting the various management instruments and systems;
- Reducing transaction costs and increasing the impact of actions taken, giving priority to the design and implementation of structuring projects and greater physical-financial scope, and
- Facilitating the participation and integration of the civil society and the private sector.

Moreover, it was clear the differential character that participation of new providers brings to cooperation initiatives, particularly with regard to the contribution of new knowledge, expertise and cultural and linguistic similarities, particularly in Latin America. The combination of these elements with the consolidated capabilities of traditional donors, concerning project management and impact evaluation, among

others, produce synergy and more effective cooperation. In fact, one of the elements for the success of triangular cooperation initiatives is the proper use of the comparative advantages of the actors involved.

In relation to concepts, the Accra Agenda is a good starting point and an important reference for triangular cooperation. This agenda includes many of the principles and concerns discussed during the Symposium. The need to build more inclusive and effective partnership relations, issues of ownership and leadership of recipients, as well as the contribution of South-South cooperation for triangular cooperation are some of the elements contained in the Accra Agenda.

It is noteworthy that despite the potential and new possibilities of triangular cooperation does not solve all the problems of cooperation. It's one more tool of international cooperation and as such does not replace South-South or North-South cooperation. Triangular cooperation increases the possibility of achieving greater effectiveness in cooperation policies to overcome poverty and attain sustainable development.

Finally, in order to promote continuous dialogue, reflection and learning among the actor, two developments of the Symposium were suggested: i) the organization of an 2nd International Symposium on Triangular Cooperation or a similar event, and ii) in-depth analysis and systematization of triangular cooperation experiences, considering the effectiveness of this instrument in relation to other forms of cooperation.

Translation from Portuguese: Marcus Regis