

**Luncheon Forum on
“The Role of South-South and Triangular Cooperation in Development”
Jointly organized by
United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)
and the Special Unit for South-South Cooperation of the United Nations
Development Program (UNDP) in collaboration with Japan International
Cooperation Agency
20 May 2011,
Public Foyer, Ground Floor,
United Nations Conference Center (UNCC)
Bangkok, Thailand**

I. Introduction

1. The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and the Special Unit for South-South Cooperation of the United Nations Development Program (UNDP) with collaboration from Japan International Cooperation Agency (JICA) have co-organized a round table discussion on the theme “South-South and Triangular Cooperation for Acceleration of the Achievement Millennium Development Goals”. The discussion took place during the 67th session of the United Nations Economic and Social Commission for Asia and Pacific (ESCAP) in Bangkok, Thailand. It was held at the UNCC during a luncheon on 20 May 2011.

II. Background

2. ESCAP and the Special Unit for South-South Cooperation of the United Nations Development Program intended to have this discussion in recognition of the importance of South-South and triangular collaboration for development. Indeed, the outcome documents of the High-level United Nations Conference on South-South Cooperation, the Development Cooperation Forum, the OECD Development Assistance Committee Task Team on South-South Cooperation (for the Fourth High Level Forum on Aid Effectiveness in Busan in November 2011), and the G20 Seoul Summit Leaders’ Declaration of November 2010 all attest to its importance.

III. Participants

3. Distinguished speakers were invited to give their remarks on the topic “*Perspectives on good practices and lessons learned in South-South and triangular development cooperation*” as follows: (1) H.E. Mr. Pinak Ranjan Chakravarty, Ambassador of India to Thailand and Permanent Representative to ESCAP (2) Mr. Apinan Phatarathiyanon, Director General, Thailand International Development Cooperation Agency, Ministry of Foreign Affairs and (3) Mr. Juro Chikaraishi, Senior Advisor for Southeast and Pacific Region, JICA. The luncheon was attended by heads of delegation or alternates to the 67th Commission session; heads of UN agencies based in Bangkok and; ESCAP chiefs of divisions, SROs and regional institutions. At the head table were, together with the

Executive Secretary: (1) H.E. Mr. Lotoala Metia, Minister, Ministry of Finance, Economic Planning and Industries, Tuvalu (2) H.E. Mr. Mateo Montaña, Undersecretary, Department of Social Welfare and Development, Philippines (3) H.E. Mr. Pinak Ranjan Chakravarty, Ambassador of India to Thailand and Permanent Representative to ESCAP (4) H.E. Mr. Sohail Mahmood, Ambassador of Pakistan to Thailand and Permanent Representative to ESCAP (5) H.E. Mr. Kazi Imtiaz Hossain, Ambassador of Bangladesh to Thailand and Permanent Representative to ESCAP (6) H.E. Mr. J.B. Disanayaka, Ambassador of Sri Lanka to Thailand and Permanent Representative to ESCAP. Several UN agencies were represented as well, namely: (1) Mr. Nicholas Rosellini, UNDP Deputy Assistant Administrator and Deputy Regional Director for Asia-Pacific and (2) Ms. Nobuko Horibe, UNFPA Director for Asia-Pacific. Overall, nearly 80 persons attended the event.

IV. Welcome message

4. Dr. Nagesh Kumar, Chief Economist and Director, Macroeconomic Policy and Development Division, ESCAP, delivered the opening remarks by emphasizing the importance of South-South and Triangular Cooperation within Asia-Pacific region. He mentioned that this luncheon forum was co-organized by ESCAP, UNDP and JICA to provide opportunities to share experiences and knowledge on South-South and Triangular Cooperation and to discuss ways forward to enhance the regional cooperation. The organizers were pleased to have distinguished speakers from Thailand, India, and Japan to share their countries' experiences on South-South and Triangular Cooperation.

5. Given the extensive development experiences and increasing economic roles that countries in the Asia-Pacific has accumulated over the past 50 years, countries in this region could offer valuable experiences and technical expertise, and should work together to increase the visibility and viability of the South-South and Triangular Cooperation. Within the South-South Cooperation (SSC), developing countries working together often have more appropriate skills and lower administrative and implementation costs. SSC-partnered countries have had to make adaptations with similar factor endowments, work with poorer infrastructure and geo-climatic conditions. These similarities generate invaluable sources of understanding and potential knowledge-sharing among developing countries as "solutions for the South must indeed come from the South".

6. In recent years, there have been numerous experiences on SSC. It is difficult to estimate the size of SSC activities, but rough estimation may be USD 15 billion or USD 45 billion in PPP-adjusted terms. Thus far, SSC has been focusing on capacity-building and training, infrastructure development and other productive capacity enhancement initiatives. SSC is still at the early stage at generating high positive return for participating countries, but this should give incentives for developing countries to be more involved and to fund SSC-related activities. Looking ahead, South-South and Triangular Cooperation must develop common and cost-effective solutions and, most importantly, complement existing framework under the North-South Cooperation. He commended the growing interest of developed countries particularly the Government of Japan in supporting South-South and Triangular Cooperation in Asia and hoped for the

continuation of this valuable support in the coming years. He urges that Japan should take a leading role in facilitating South-South and Triangular Cooperation through identifying potential areas of cooperation and possibly earmarking 20 percent of Japan's Official Development Assistance (ODA) to support and promote SSC-related activities.

7. Mr. Yiping Zhou, Director, Special Unit for South-South Cooperation of UNDP, acted as the discussion facilitator. He said that the objective of this luncheon discussion was to provide the platform for debate on the SSC and Triangular Cooperation as the new model of development paradigm. The discussion would lead to concrete follow-up and further policy dialogue for next year's Ministerial meeting. He reiterated that SSC should be seen as "cooperation among equal" in which every country can contribute, and complement the North-South Cooperation. Mr. Zhou then introduced the three distinguished speakers to give their remarks on "*Perspectives on good practices and lessons learned in South-South and triangular development cooperation*".

V. Remarks by the distinguished speakers

8. H.E. Mr. Pinak Ranjan Chakravarty, Ambassador of India to Thailand and Permanent Representative to ESCAP, said that India has been actively participated in the SSC and Triangular Cooperation activities through directly helping other countries, exchanging India's development experiences, and sharing of India's limited resources. India has focused on helping new-emerging countries to overcome their development challenges and to successfully emerge from their past colonial rule. India's flagship SSC activities have been provided through 2 main agencies, namely: the Indian Technical and Economic Cooperation (ITEC) started in 1967 and the Special Commonwealth Assistance for Africa Program (SCAAP). These two agencies have over the years delivered technical assistance to over 160 countries, offered 200 training courses to over 6,500 trainees comprising of mostly public officials on wide-ranging topics such as finance, auditing, planning & administration, ICT, environment, agriculture, and rural development policy. Moreover, India has provided humanitarian assistances through food aid, medical care, and cash transfer to support people afflicted by natural disasters. It has helped African countries to build hospitals and universities which results in improving public health system and helping over 10,000 African students to obtain higher education.

9. The Indian Council for Cultural Relations (ICCR) was established with the objectives to foster and strengthen cultural relations and mutual understanding between India and other countries and to promote cultural exchange with other countries and peoples. Therefore, over 2,500 scholarships to foreign students have been provided to study in 21 offered programs. On providing development assistance, Indian government has set up lines of credit worth in total USD 8.5 billion for 58 developing countries in which USD 6.0 billion is allocated to African countries and the remaining USD 2.5 billion is earmarked for non-African countries.

10. The Indian Ambassador emphasized that SSC and Triangular Cooperation are the new modalities for development and that Indian government is opened to new proposal

on ways to enhance these cooperation. He supports that SSC should complement the global development resources and North-South cooperation.

11. Mr. Apinan Phatarathiyanon, Director General, Thailand International Development Cooperation Agency, Ministry of Foreign Affairs, shared Thailand's experiences on SSC. In pursuing Thailand's early development stage, the country was initially supported by the North-South Cooperation starting from 1950s. In its early development phase, Thailand had concentrated on North-South Cooperation and benefited greatly from the contribution of its development partners. Afterward, it first became involved in the SSC through its membership in the G-77 in which Thailand started to partner with Brazil, Peru, and Chile in 1973. As Thailand graduated from its aid-eligibility status, it is now increasingly focusing on SSC activities with other developing countries in the region such as the recent collaboration with Ministry of Science and Technology, PR China, to exchange technical experts between the two countries. SSC activities in Thailand also cover numerous bilateral cooperation programs with CMLV countries, Timor L'este, Mongolia, Central and South Asia, and Africa as well as sub-regional level cooperation under AMECS, BIMSTEC, and GMS. Thailand also sees the possibility of implementing "Trilateral Cooperation" in which developed and developing countries could partner together and utilize their respective knowledge and expertise to achieve development goals. Thus, Thailand has been promoting "North-South-South Cooperation" and "South-South-South Cooperation". Examples of "South-South-South Cooperation" are ASEAN Cooperation with its objective of regional integration by 2015, Thailand's cooperation with India to assist other Least Developed Countries (LDCs) and cooperation with Brazil to support Lao PDR and Cambodia. In promoting SSC, Thailand would like to urge that the United Nations would allocate more resources to the Special Unit for South-South Cooperation under UNDP. Looking forward, the region needs to promote inter-regional connectivity cooperation and changes its cooperative framework from "donor-recipient" towards "partnership" framework. Thailand is committed to work closely with the UN in promoting South-South and Triangular Cooperation in the coming years.

12. Mr. Juro Chikaraishu, Senior Advisor for Southeast and Pacific Region, Japan International Cooperation Agency, also agrees that South-South and Triangular Cooperation is an effective approach to strengthen capacity development of partner countries through sharing knowledge and practices, and technical & skill transfer. From Japanese experiences, the country began to give technical assistance to other countries starting from 1954 onwards, implement country partnership programs in 1994, and contribute towards regional cooperation since 1990s. There are 3 types of SSC that Japan has been involved in as follows. First, Two-step Knowledge Transfer (Spread out to new beneficiary) in which first step involves knowledge transfer from Japan to pivotal country and follow by the second step that requires local knowledge transfer from pivotal country to its neighbor (or "beneficiary country"). Second, Joint Cooperation with Complementary Parallel Efforts in which Japan and the pivotal country work together based on their respective comparative advantage to support the beneficiary country. This is done through "Partnership Program" involving strategic and comprehensive framework to jointly implement technical cooperation for the beneficiary countries, sharing the

knowledge and experience on aid management with the counterpart organization and introducing Third Country Training Program on the cost-sharing basis. Japan has implemented Partnership Program with 12 countries around the world. Example of the Partnership Program is the Japan – Brazil - Mozambique “Pro savannah Project.” The project’s justifications are that more than 400 million hectares of farmland waiting to be developed and potential of African agricultural development is increasingly recognized. In the Triangular Cooperation Framework, Japan has extensive experience in agricultural development cooperation while Brazil could utilize its knowledge and experiences in savannah development. These two comparative advantages can complement to cultivate tropical savannah development in Mozambique and other African countries. Third, Strengthening the Regional/Inter-regional Partnerships in which Japan’s participation supports a cooperative framework and strengthens the networking among stakeholders in the Regional and Inter-Regional Cooperation. Examples are Coalition for African Rice Development (CARD) involving many countries and institutions, and Japan-Southeast Asia Meeting for South-South Cooperation to support ASEAN Integration by SSC activities.

13. To enhance sustainability and impact of SSC, countries would need to strengthen the core capacity of SSC aid management; aid information database, coordination among ministries and organization, improved funding mechanism. Moreover, over the medium-term, development partners must strengthen knowledge management on SSC in terms of thematic expertise, project management and human resource; align SSC activities to international framework/regional platform as well as to involve diverse actors, including private sectors and NGOs. UNDP would have an important role in promoting SSC in the years to come.

VI. Closing remarks

14. **Dr. Noeleen Heyzer, Executive Secretary of ESCAP**, concluded by sharing her experiences coming back from the High-Level Roundtable Discussion on Asia-Pacific LDCs in Istanbul. She believes there are significant opportunities to expand SSC in Asia-Pacific. In the future, SSC activities should aim towards promoting productive capacity and technology transfer among participating countries.



Luncheon Forum

The Role of South-South and Triangular Cooperation in Development

Friday, 20 May 2011
12:00hrs to 13.45hrs

Public Foyer, Ground Floor,
United Nations Conference Centre (UNCC)

Programme

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| 12:00 | Lunch is served |
| 12.15-12.25 | <p>Opening remarks by Dr. Nagesh KUMAR, Chief Economist and Director, Macroeconomic Policy and Development Division, ESCAP</p> <p>Remarks and introduction of the speakers by the discussion facilitator, Mr. Yiping ZHOU, Director, Special Unit for South-South Cooperation of UNDP</p> |
| 12.25-13.15 | <p>Perspectives on good practices and lessons learned in South-South and triangular development cooperation</p> <p>H.E. Mr. Pinak Ranjan CHAKRAVARTY, Ambassador of India to Thailand and Permanent Representative to ESCAP</p> <p>Mr. Apinan PHATARATHIYANON, Director General, Thailand International Development Cooperation Agency, Ministry of Foreign Affairs</p> <p>Mr. ZHAO Yongli, Assistant Director General, China International Centre for Economic & Technical Exchanges. Ministry of Commerce</p> <p>Mr. Juro CHIKARAISHI, Senior Advisor for Southeast and Pacific Region. Japan International Cooperation Agency</p> |
| 13.15-13.45 | Open Discussion |