FIFTH REGIONAL CONFERENCE

Perspectives on Triangular Cooperation in Latin America and the Caribbean

7<sup>th</sup> and 8<sup>th</sup> October 2020 Virtually

**Executive Summary** 









Ministry of Foreign Affairs International Trade and Worship **Argentina** 

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### **VAVAVA** EXECUTIVE SUMMARY

### **Overview**

The Fifth Regional Conference "Perspectives on Triangular Cooperation in Latin America and the Caribbean", held virtually on 7 and 8 October 2020, was co-hosted by the German Federal Ministry for Economic Cooperation and Development (BMZ) and the Argentine Ministry of Foreign Affairs, International Trade and Worship.

BMZ promotes triangular cooperation (TrC) in Latin America and the Caribbean (LAC) through the Regional Fund for Triangular Cooperation in Latin America and the Caribbean, implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). The Fifth Regional Conference, as with the four that preceded it, provided an opportunity to promote dialogue and the sharing of experiences and learning among the region's countries.

The overall purpose of the Fifth Regional Conference was to look at TrC in the current climate, taking into account the experiences of the Regional Fund and the outcomes of the Buenos Aires Plan of Action+40 (BAPA+40, Buenos Aires, 2019). It aimed to (1) examine and discuss the challenges for TrC in the context of the pandemic and its socio-economic fallout, (2) contribute to promoting multilateralism and international cooperation in pursuit of Sustainable Development Goal (SDG) 17 of the 2030 Agenda, and (3) share ideas about the future of international cooperation. The following four guiding questions provided the focus for the discussions:

- What good practices and lessons learned have emerged from TrC experiences in LAC and with other regions?
- How is the current pandemic situation affecting member countries? How can this be addressed through TrC?
- What are the challenges and opportunities for TrC in relation to digital transformation, digitalisation and technology transfer?
- What are the prospects for TrC?
- Which stakeholders and roles should be considered?

The organisation of the Fifth Regional Conference as a virtual event resulted in an increase in registrations, with more than 300 people (almost 60% women) actively participating in the different sessions. Participants included representatives of the public and private sectors, civil society and academia from more than 30 countries. A variety of topics were addressed, such as the role of TrC in relation to the Official Development Assistance (ODA)-graduation to higher income status and the gender perspective. Other issues discussed included the added value of TrC and how to measure it, the challenges involved in identifying and developing projects and good practices for TrC evaluation as a mechanism for international development cooperation. There were debates focusing on digital technology and the potential of TrC in this regard. Management issues were also addressed, with a look at how digitalisation influences dialogue and coordination in TrC projects. Lastly, the Conference discussed future prospects for cooperation, the multistakeholder approach in TrC, the challenges and opportunities it presents and TrC experiences with African countries.

A discussion panel, and plenary sessions inspired by keynote speeches from special guest speakers, provided a chance to hear different political and strategic views of the current situation. These inputs provided ideas for more interactive discussions in the form of 12 'breakout sessions' on specific issues.

The following key points emerged in response to the guiding questions.

# Good practices and lessons learned in LAC

The work carried out at the Fifth Regional Conference made it possible to map out challenges and advances in TrC strategies and practices. The LAC region has been, and still is, fertile ground for TrC given its tradition of South-South Cooperation and its political commitment and capacity to engage in co-creation and innovation. The experiences of the region's countries have also shown the potential of TrC to address regional and global challenges through good practices with a multiregional approach. The usefulness of the Voluntary Guidelines developed by the Global Partnership Initiative on Effective Triangular Cooperation (GPI) was reaffirmed at the Conference, with a view to the triangular cooperation partners initiating a process of reflection, regardless of the stage they are at in the TrC cycle.

The debate on identifying and developing TrC projects, led by the Ibero-American Programme for the Strengthening of South-South Cooperation (PIFCSS), revealed that these stages in the lifecycle of a TrC project remain challenging and that increased awareness, productive dialogue, existing capacities and shared tools are required.

Evaluations are essential in identifying good practices and lessons learned in TrC and in furthering the political and strategic debate on the subject. Experience with evaluations is now much more extensive, and this has prompted a need to develop a common conceptual basis and a system for recording and analysing experiences and the impacts achieved.

Tools for measuring the added value of TrC are needed to demonstrate its impact and ensure that TrC is implemented strategically and efficiently in international cooperation compared with bilateral and regional cooperation. The 2030 Agenda, particularly SDG 17, emphasises partnership building and its impact on development. TrC seeks to work towards achieving strategic development goals by establishing partnerships between different stakeholders. The challenge remains to develop capacities to measure TrC and to highlight the impact and value-added of this form of cooperation.

# The role of TrC in tackling the challenges posed by COVID-19

There is no doubt that TrC promotes the development and spread of innovative good practices in LAC, fostering horizontal cooperation between the region's countries and traditional donor countries. In the face of challenges brought about by COVID-19, TrC is a promising tool for addressing the wide-ranging consequences of the pandemic. It helps to identify local needs and ensure more effective coordination between different levels of governance and key sectors in the context of the pandemic.

Mutual learning in TrC within the current context promotes multilateralism and can guide international debate towards new global agreements.

# Challenges and opportunities in the context of digitalisation and technology transfer

The COVID-19 pandemic has accelerated digitalisation, helping to ensure continuity in TrC project management. TrC is often associated with high transaction costs. Recent experience has shown that these costs can be cut thanks to digitalisation, making this form of cooperation more competitive. However, with the use of digital tools, attention must be paid to project governance to ensure effective collaboration among partners, considering that each stakeholder has their own management models and tools. Furthermore, the importance of personal relations in building trust between partners should not be underestimated.

The challenge of connectivity in the LAC region should also be emphasised. The current situation has further highlighted the digital divide, and it is the communities that are direct beneficiaries of TrC that are

particularly affected by a lack of access to technology.

Shared TrC experiences have underlined its potential for innovation and technology transfer, creating an interface between science and technology.

# Prospects for TrC, stakeholders and roles

The current pandemic situation, which is putting a strain on health care, education, the economy and other sectors, has shone a light on the region's structural socioeconomic problems (inequality, institutional weakness, particularly in health and social protection, etc.) and made it even more difficult to meet the 2030 Agenda commitments. TrC promotes regional development and integration, and middleincome countries have the capacity and potential to contribute to the recovery from the crisis exacerbated by the pandemic.

To make TrC more effective in this context, more streamlined South-South and Triangular Cooperation mechanisms are needed, tailored to the challenges associated with the pandemic and structural problems. These must be more demand-driven and better aligned with the agendas of the region's countries to leverage resources through strategic partnerships between North and South and collaboration with development banks. Mechanisms should also be explored for identifying and mapping the contributions of all the stakeholders involved in pursuing mutual learning and benefits in what could be regarded as a 'circular' scheme. The discussions highlighted the added value of the multistakeholder approach in this scenario, given its potential for establishing links at the local level where the end beneficiaries of activities to address the pandemic's socioeconomic impacts are to be found.

It will also be vital to channel political will to include a gender perspective in all stages of the project lifecycle, with a clear focus on identifying and removing barriers and ensuring outcomes that contribute to eliminating pre-existing inequalities.

### **Main conclusions**

A general observation that can be made is that the different sessions revealed a strong convergence of views on the potential of TrC in the wider context of development cooperation as an engine for multilateralism, with particular emphasis on its potential to contribute to addressing the effects of the pandemic and the post-pandemic challenges that lie ahead. The pandemic has exacerbated structural problems in LAC, including inequality, low productivity and gaps in health care and social protection. Solidarity and collaboration through partnerships are increasingly important in tackling global challenges. TrC is credited with the potential to act as a catalyst in the response to the COVID-19 pandemic in LAC, in addition to contributing to the achievement of SDG 17, thanks to its flexibility, capacity for innovation, mutual learning and the potential of multistakeholder partnerships:

«Triangular Cooperation must be a catalyst in this pandemic to ensure a recovery that leads to a better and different future and a system of international governance in which the 2030 Agenda remains our roadmap.» Alicia Bárcena, Executive Secretary, United Nations Economic Commission for Latin America and the Caribbean (ECLAC) It was acknowledged, particularly by Germany (BMZ), that expectations about TrC are increasingly high. It requires greater impetus to extend its footprint and demonstrate its impact and value-added. This is particularly true given the current situation and its consequences for the LAC region and the socio-economic impact of climate change.

At the same time, the region's countries are calling for an effective ecosystem that fosters coordination between governments and international organisations and also with the private sector, the scientific community and civil society, with the aim of contributing to the achievement of the 2030 Agenda and realising the full potential of TrC. Voices are uniting in favour of a less asymmetric model of international cooperation and a new global and regional (social) pact to provide public goods which changes productive and social models. TrC is driving a process of reflection on the current international cooperation system and the importance of being actively involved in shaping change. Cross-cutting issues, such as digital transformation and measuring the impact of TrC, continue to be flagged as important challenges requiring special attention in TrC at both the political and strategic level as well as the management level, which could be addressed in this change process. By virtue of its characteristics, TrC spurs innovation and requires a different planning, monitoring and evaluation approach from the one used in traditional bilateral cooperation projects. Taking an innovative political and strategic approach with a greater emphasis on gender, participation and digitalisation, TrC could set benchmarks for international development cooperation in general. In terms of determining the impact of TrC, tools for measuring its added value play an important role in consolidating evaluation criteria and principles appropriate to this form of cooperation and its specific characteristics.

With regard to TrC practices in the region, particular reference was made to making mechanisms designed to strengthen TrC more flexible and adapting them to meet the countries' demands. Regarding the Regional Fund, this would imply the incorporation of a range of new stakeholders in order to respond to existing demands and meet the lat-est needs created by the pandemic.

The need for a resilience fund to tackle climate change in the region was also highlighted. This would also benefit TrC, which contains extensive experience and good practices for cooperation with and in the region in the areas of climate, the environment and energy.

A topic that arose repeatedly during the different sessions was the role that TrC could play in driving a paradigm shift in the structure of international development cooperation. TrC has clearly experienced a boom in recent decades and is increasingly seen to be an effective form of cooperation at the political and strategic level. However, it still needs to mature in both financial and conceptual terms if it is to spearhead such a paradigm shift. TrC resources are still limited in comparison with funding for international development cooperation in general (in the context of ODA). More financial and management resources need to be allocated to TrC before it can step up a gear from being considered a pioneering form of cooperation to acting as the driver of a paradigm shift. The German Institute for Development Evaluation (DEval) emphasised this point in its assessment of TrC as a tool for German development cooperation. Greater consistency is also required in defining TrC. While the principles that characterise and guide TrC are largely consistent, there are different conceptual interpretations of TrC, depending on the

region and the stakeholders involved, when it comes to practical implementation (range of stakeholders, their roles and a common understanding of cooperation) and questions such as how TrC differs from regional cooperation.











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