



**Meeting of IATI Steering Committee Members and Observers
UN City, Copenhagen, Denmark October 2014**

Paper 8 – Terms of Reference for a workshop on South-South cooperation

PURPOSE

The attached concept note outlines a proposal for a technical workshop to factor South-South cooperation into the IATI Standard. This is one of the activities planned for Year Two as part of the original proposal of the hosting consortium approved in March 2013.

ACTION REQUESTED

This paper is shared with Steering Committee members for information and to guide discussions on improving data quality on Day One of the October 2014 Steering Committee meeting.



Concept note: proposed technical workshop on integrating South-South and technical cooperation into the IATI Standard

Background

South-South Cooperation (SSC) has evolved to assume increased importance in the changing global effective development cooperation architecture. In 2011, the value of South-South Cooperation was estimated at between \$USD 16.1 billion and \$19 billion¹. The actual value, however, is indisputably higher, not only because much South-South development cooperation is unreported but also because it takes many forms, some of which are hard to quantify or monetize (e.g. technical cooperation, etc.).

Driven by official as well as private initiatives, South-South Cooperation involves a wide diversity of partners, ranging from governments and international agencies to corporations, civil society organizations, and the private sector. The cooperation they provide is particularly esteemed by recipient countries as it complements and adds value to aid flows from traditional donors. In addition, the perspective of Southern providers is especially advantageous in the global development dialogue, since many were – and others still remain – aid recipients themselves, offering insights that draw on this experience.

The central importance of SSC has been endorsed in a series of international conferences over the past decade, most notably at the Nairobi High Level Event on SSC in December, 2009. The outcome document from Nairobi acknowledged the need to enhance the development effectiveness of SSC by continuing to increase its mutual accountability and transparency, specifically encouraging providers of South-South Cooperation to improve data collection at the national level.

However, though the international development landscape reflects a growing interest in the improved reporting of SSC, and while the information currently available from Southern providers of development cooperation is beneficial, it falls short of the scope and detail required for long-term planning and budgeting by recipient countries. Thanks to efforts by international initiatives like IATI, Southern providers are now making information about their development cooperation publicly available, but as they do so, the need for agreed-upon standards and definitions to describe and quantify South-South and technical cooperation becomes more apparent. Obvious institutional, political, and technical barriers to standardization remain, especially noting the vast diversity among Southern providers of development cooperation (e.g. SSC encompasses both Arab countries with a longstanding history in development finance and the emerging economies of the G20).

¹ [Report of the Secretary General on the State of South-South cooperation, 17 July 2014](#)



South-South Cooperation and transparency

The growing role and contribution of Southern partners to development cooperation necessitates a deeper look at the transparency, efficiency, and impact of their development cooperation. Improved information flows would enable Southern providers to ensure that their efforts and partnerships in the Global South are tailored towards meeting the most pressing development demands of these countries. At the national level, there is a need to be accountable for public resources spent on SSC, and to ensure this information is easily accessible and understandable by citizens. In addition, recent discussions at the global level reflect the desire of many Southern providers to increase transparency, especially as many of them are engaged in both development finance and South-South Cooperation. As an example, the communiqué of the Global Partnership for Effective Development Cooperation's inaugural High-Level Meeting in Mexico included a commitment from South-South Cooperation partners to "improve the availability of information on the scope, results, and impacts of their cooperation actions." Subsequently, support for a technical workshop on SSC emerged from the jointly hosted TIKA/UNDP conference on emerging donors in Istanbul in June, 2014, noting that, "A proposal was made for a technical workshop to address how existing tools and technologies [for example IATI] could be adapted to capture the contribution of SSC."

Reporting on South-South and technical cooperation flows: data challenges

Statements in these different fora have identified a clear need to simplify and standardize reporting across all providers of development cooperation. However, reporting on South-South and technical cooperation flows remains problematic at a technical level: for instance, some providers face difficulties in valuing the non-financial components of their development cooperation, such as technical assistance or in-kind donations. Limiting a SSC project's financial value to estimates for operational expenses such as airfare, cost of materials, and logistical infrastructure does not put a value on the knowledge that is exchanged; thus making quantifying SSC projects accurately a challenge. In addition, only a small minority of development cooperation providers currently possess their own reporting mechanisms, which include different ways of classifying and calculating assistance. Often, where data does exist, it is difficult to collect and aggregate because of its format, language, and/or public availability.

Objectives of the workshop

The IATI Standard is already used by a wide range of stakeholders. It was, however, designed with a primary focus on financial flows and is currently not fit to report technical cooperation and other non-financial agreements. With sufficient political interest and inputs from current providers of SSC, the necessary technical investment would be worthwhile. Representing the first analytical steps toward a concrete integration of South-South and technical cooperation flows into the IATI Common Standard for aid reporting, the proposed workshop would seek to:

- Share learnings around the problems of capturing flows of development cooperation that are not easily monetized (i.e. technical assistance, in-kind donations, etc.);
- Consider how time, people, skills and services can be measured, valued, and reported;



- Build a draft extension to the IATI Activity Standard that can be used for testing the solutions proposed; and
- Identify and agree upon potential partner countries for pilot work.

Target audience

The workshop will identify and draw upon best practices and technical inputs on integrating South-South Cooperation and aid flows from current providers of SSC from among current members and observers. From invited countries, the workshop will encourage the attendance of practitioners who can provide empirical inputs on the management and quantification of South-South and technical cooperation at the working level, especially from those offices at the national level who are directly involved with IATI reporting and/or SSC (i.e. Ministries of Finance, External Relations, Donor Relations, etc.).

Proposed format

Details regarding venue, date, duration, and participation will be fleshed out further into the planning process.

Outputs

Proposed outputs of the workshop include:

- A technical discussion paper outlining available options of how time, people, skills and services can be measured, valued, and reported;
- A draft extension to the IATI Standard that could be used to test the reporting of technical cooperation; and
- A consensus around areas for pilot work and an agreement by partner countries to volunteer capacity and/or resources to undertake such work.