

Reference Platform for Measurement of Cooperation and Development-related Exchange Flows between Developing Countries

What is it about?

This proposal provides a reference *platform* for the collection of quantitative and qualitative information regarding the main categories of horizontal/South-South **cooperation and development-related exchange flows**¹ between developing countries. It aims to serve developing countries and includes information on capacity development, humanitarian cooperation, scholarships, science and technology, financial cooperation and investment and trade.

The platform comprises:

- Sections for quantitative data on **inputs** mobilized by developing countries in the main categories of cooperation and development-related exchange flows with other developing countries, detailed under subcategories.
- A section for quantitative data on **outputs** of the initiatives carried out under each subcategory.
- A section for qualitative information on the contribution of the **outcomes** of horizontal/South-South flows to the achievement of the Sustainable Development Goals (SDG) in developing countries.

The goals of the platform are as follows:

- To establish a horizontal linkage between the mobilization of financial and non-financial inputs and the assessment of the immediate and long-term results (outputs and outcomes) of horizontal/South-South partnerships (Sections 1 to 5).
- To provide a basis for governments of developing countries to achieve a common definition of the different types of exchange they recognize as horizontal/South-South flows and those they do not.
- To ensure visibility and recognition of the individual contribution of every horizontal/South-South partner, irrespective of the nature, volume or amount of resources involved.

¹ Depending on the developing country concerned, some categories of the 'general genre' of horizontal/South-South partnerships are recognized as 'cooperation' while other categories are recognized as 'development-related' exchange flows, and vice versa.

What is it *not* about?

The platform is not meant to be a standard for the preparation of any kind of global South-South cooperation report. No organization has received the mandate or endorsement by governments of developing countries to prepare such reports. The preparation of national-level or regional-level reports on horizontal/South-South exchanges and cooperation flows is an autonomous and voluntary decision of the governments of developing countries.

Why?

There is increasing interest by developing countries governments, academia and civil society, in wider access to information on the nature, practices and results of the fast-growing exchange flows between developing countries. Additionally, the monitoring of the SDG will demand data and analytical work on the contribution of horizontal/South-South cooperation to the new development agenda.

The collection and organization of data on horizontal/South-South cooperation and development-related exchange flows have been a challenge. A common set of criteria, agreed upon by developing countries to measure horizontal/South-South flows, is not yet available. Even the understanding of the nature and modalities of horizontal/South-South flows varies considerably among developing countries. As a result, developing countries have been witnessing other actors' attempts at quantifying horizontal/South-South flows based on criteria conceived for other realities and purposes. The consequences of this process are quite inevitable: under-accounting, unilateral segregation of data and inaccurate classification of horizontal/South-South categories.

The method applied by donor countries to quantify ODA focuses on the monetary quantification of North-South aid, based on the assumption that development cooperation is a branch of development finance. Such a model does not fit horizontal/South-South cooperation because the nature of many horizontal/South-South modalities should not be classified as development finance. Indeed, most 'South-South partners' do not regard themselves as 'donors'. The broad scope of horizontal/South-South partnerships includes, *inter alia*, the exchange of experiences and capacity building for formulation, implementation and evaluation of development-related public policies, a dimension that expands the extent of horizontal/South-South partnerships and deserves the same level of attention as is currently granted to other dimensions, such as trade and investment.

Unlike traditional donor countries organized under the DAC/OECD, developing countries do not count on a specific inter-governmental organization to coordinate discussions on the measurement of horizontal/South-South partnerships. As an alternative, the Core Group of Southern Partners could consider debating common concepts and parameters for measuring their own flows of horizontal/South-South exchanges and cooperation. This proposal could serve as a starting point for those discussions.

What are the advantages and added-value of this methodology?

This platform aims to collate the most significant dimensions of partnerships between developing countries, organized and presented under individual categories and subcategories. Its rationale is to ensure that all kinds of horizontal/South-South exchanges are duly recognized, not underestimated. In addition, each category has its visibility preserved in relation to the other categories, based on parameters specially selected to reflect the particularities of the inputs, outputs and SDG-related outcomes associated with each subcategory. Hence, the platform avoids the quantification of horizontal/South-South exchanges through a single, exclusively monetary standard.

The approach embedded in this Platform underscores the view that all kinds of inputs mobilized by developing countries are relevant in promoting development, be they financial or non-financial in nature. By presenting categories individually, the platform prevents the considerable size of financial cooperation and foreign direct investment from overshadowing other equally relevant categories of cooperation between developing countries.

In this regard, segmenting the structure of the platform into multiple categories is meant to bring visibility and recognition to all types and sources of contributions to horizontal/South-South partnerships, irrespective of the nature (financial or non-financial), volume or amount of resources involved, a goal that is difficult to achieve when the main criteria used to measure horizontal/South-South cooperation is monetary. For this reason, there are no totals for the financial amounts in each category.

How does it work?

The platform is structured around five sections (as columns), with a horizontal relationship between them:

| I | II | III | IV | V |
|-------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|--------------------------|--------------------------------------|
| Categories and subcategories of cooperation and development-related exchanges between developing countries | Inputs mobilized by the 'reporting partner' (outward-bound) | Inputs mobilized by the 'end-flow partner' | Immediate Outputs | SDG-related Expected Outcomes |

Collecting and organizing data

Section I: Categories and subcategories of cooperation and development-related exchanges between developing countries

The platform is customizable to the needs of users. The categories and subcategories can be selected for use according to their relevance and suitability in regard to the modalities of horizontal/South-South exchanges recognized by each developing country that chooses to adopt the platform.

Section II: Inputs mobilized by the reporting partner; Section III: Inputs mobilized by the end-flow partner; and Section IV: Immediate outputs (quantitative data)

- i. Through available systems, databases or other recording methods, the developing country using the platform can compile data on inputs (amounts/quantities etc.) and outputs related to horizontal/South-South exchanges. Data on inputs is allocated by (i) those mobilized by the reporting partner (outward-bound) and (ii) those mobilized as a counterpart by the end-flow partner (the country, or countries, on the other side of the horizontal/South-South exchange). For the purposes of the platform, end-flow partners were categorized into three groups: developing countries, Least Developed Countries (LDCs) and economies in transition. Data on financial contributions or funds allocated for trilateral cooperation with international organizations can be compiled under Section II (*Inputs mobilized by the reporting partner*).
- ii. The data compiled by the end-flow partner, or international organization, under Sections II, III and IV are then transferred to the 'Quantification Tables' (separate tables). Some of the tables are gender-sensitive.
- iii. Next, totals from the Quantification Tables are transferred to a 'Synthesis Table' (the main table).

Section V: SDG-related Expected Outcomes (qualitative, analytical information)

This section does not involve statistical data. Its purpose is to introduce a method to assist in the collection of qualitative data regarding the contributions of horizontal/South-South partnerships toward the achievement of the SDG by the end-flow partner. This analytical task would be shared between the partner developing countries as follows:

- i. The reporting partner using the platform can describe, in its national-level reports on international cooperation, its contributions to the achievement of the SDG in its partner countries (end-flow partners).
- ii. The end-flow partner using the platform can describe, in its national-level SDG follow-up reports, the contribution of horizontal/South-South exchanges to its achievement of the SDG.