

The framework for the measurement of SSC: history, background and processes



South-South
Cooperation

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Objectives

- Overview of the processes, the history and the background of the framework, joined by Mr. Sukhbir Singh
- In my section, focus on where we stand with the CF and where we are heading to
- Hope for a better understanding of what the CF entails and various ramifications in economic, statistics and policy-making areas
- Need for a common understanding and language as we're all from different backgrounds/institutions

Outlines

- Basically, 6 questions:
 - 1) Who developed the CF for measuring SSC?
 - 2) What “SSC” is measured in the CF?
 - 3) Why is it important to measure SSC for sustainable development?
 - 4) Why is it important that the measure is owned and maintained by developing countries?
 - 5) Why UNCTAD was requested by developing countries to become the custodian of the SSC CF?
 - 6) Acknowledging the achievements so far

1) Who developed the CF for measuring SSC?

- Developed by southern countries for southern countries under the umbrella of the UN. In itself a success in SSC.
- Outcome of two years of discussions and negotiations between officially nominated experts from the South in the context of the IAEG-SDG for which UNCTAD provided Secretariat.
- Experts were from various institutions engaged in the theoretical or empirical measurement of SSC, such as DCAs, NSOs, Ministries...
- From 9 southern countries Tanzania, SA, Ghana, Egypt, China, India, Brazil, Colombia, Mexico and Russia being an observer

2) What “SSC” is measured in the CF?

- In the development literature, SSC can be a very broad concept (declination through disciplines) + evolution throughout history.
- **The framework is designed to measure SSC for economic and social development only.** Not meant to measure all forms of SSC or how it could be interpreted. Not all activities between 2 southern countries.
- Entrenched in the concept of **sustainable development** as defined in the SDGs, especially with target 17.3 on “mobilize additional financial resources for developing countries from multiple sources”.
- To ensure that, the experts came up with 4 eligibility criteria to determine which flows or activities should be included:
 1. **Sustainable development purposes**
 2. **Concessional in nature (so in better “modalities” or “rates” than the market)**
 3. **Provided through official channels**
 4. **Voluntary reporting**
- Very fundamental: avoid confusion, especially among policy makers

3) Why is it important to measure SSC for sustainable development? (1/2)

- All convinced in this room that data is vital to conducting relevant quantitative analysis. No-man's land in the statistical architecture. Blatantly lacking data to check and improve our knowledge.
- Contribute to steering policy making and formulating better policy recommendations at both the national, regional and global levels.
- Global framework but trickle down at the national levels through linkages between national, regional and international systems. Data useful to researchers, practitioners, economists, and policy makers so what we are dealing with is very important.
- Questions should be more addressed to policy makers in the South that still hesitate to engage in measuring SSC for development because they don't see the benefits of putting efforts in this or because they think such data are strategic. In the old times, same concerns about trade data but nowadays no one would argue

3) Why is it important to measure SSC for sustainable development? (2/2)

- Great benefits for southern countries to disseminate data on SSC
 1. “Recipient perspective”: where the country stands in terms of resource mobilization, while investment and development flows are very volatile.
 2. “Provider perspective”: Increase the visibility of southern countries’ contribution to SD and move from the stigmatizing narrative of perceiving southern countries as “liabilities” only in the area of financing for development.
 3. Being acknowledged as a key SSC player is certainly a form of “soft power” with a lot of financial, economic and social benefits that outweighs potential efforts.

4) Why is it important that the measure is owned and maintained by southern countries (1/2)

- In March 2022, the UNSC adopted the framework for the measurement of SSC and *“requested that further work on this, including on global reporting and capacity-building, be enabled by the co-custodianship of UNCTAD and led by countries from the global South, based on country-led mechanisms, and invited countries involved in South-South cooperation to work closely with UNCTAD.”*
- During the statistical commission: very strong statements of the G77 and China expressing that the measure of SSC should be lead by countries of the South and enabled by the custodianship of the UNCTAD + statements from other coalition of Southern countries
- Fit into a very long tradition of southern countries claiming for their own measure of SSC. In this context, rejection twice in international fora (2015 and 2019) that the OECD Total Official Support for Sustainable Development becomes the international standard for the measurement of SSC.

4) Why is it important that the measure is owned and maintained by southern countries (2/2)

- From the policy making side, very strong need for financial statistics that better reflects the needs of southern countries. Many of the international standard in financial statistics developed before the majority southern countries got their independence or when their voice on the international arena was not as strong as today. Not capturing southern countries needs properly.
- Once approved, very hard to amend those data systems at the international level: lengthy and bureaucratic process
- Therefore, once you go back to your capitals, continue to raise awareness in your institutions about how important the international work on this framework is.
- Urgent as UNCTAD is hoping to have good quality data on SSC by 2030 to rethink SD

5) Why UNCTAD was requested by developing countries to become the custodian of the SSC

- “Popularity check”: UNCTAD is a UN organization which supports developing countries to access the benefits of a globalized economy more fairly and effectively.
- Created in 1964 during the process of decolonization and since then has helped countries integrate in the world economy. Provide analysis, facilitate consensus-building, and offer technical assistance in order to use trade, investment, finance, and technology for inclusive and sustainable development
- Mandate to “promote and support economic cooperation among developing countries
- Holistic approach to development matching the principles of SSC
- Major producer of global statistics in development areas: trade, investment, finance, technology, transportation and environment. See *unctadstat.unctad.org*, *Handbook of Statistics*, *SDG Pulse*

Acknowledging the achievements so far

- From my presentation, not beginning of the measurement of SSC. Already discussions and negotiations for many years over this topic
- Over 2 years experts from southern countries met and exchanged to materialize this into a statistical framework that can be used for the SDGs.
- Huge achievement: for the first time in history there is a global and voluntary framework. Now common responsibility to make this conceptual framework live with data collection and reporting.
- UNCTAD very ambitious. Will continue to create a safe space for southern countries to lead this work on SSC and make sure it benefits those countries in the short and medium term

Thank you!

