

Measuring South-South cooperation in the context of SDG indicator 17.3.1

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Why develop a common method to measure SSC?

There is a growing interest from governments of developing countries, academia and civil society in expanding access to data on SSC flows. In some developing countries, the measurement is mandated by law.

In the context of the UN, monitoring the implementation of the SDGs requires data on the contribution of SSC to the United Nations 2030 Agenda: SSC is specifically mentioned in Indicator 17.3.1 of Target 17.3 (SDG 17).

It is better that developing countries take the lead in the development of a method to quantify SSC considering its particularities, rather than a void that will be filled by other international actors, through approximations.

Developing countries have witnessed other international actors attempting to quantify South-South flows based on criteria conceived for other realities. The consequences of this process are not good for us: underaccounting, unilateral segregation of data, and inaccurate classification of South-South cooperation.

Unlike traditional donor countries organized under the DAC/OECD, developing countries don't have an intergovernmental organization to manage the measurement of South-South cooperation. We have had to find an alternative path: a partnership with UNCTAD, based on a methodology developed by developing countries themselves.

Elements to be considered regarding the measurement of SSC

- = The measurement of development cooperation should not be limited to collecting data on the financial resources mobilized by its providers. Such a view diverts our attention from **pursuing development** in structural terms.
- = The promotion of development goes beyond the mobilization of financial resources, which corresponds to some of the SSC modalities. It is important to preserve the **narrative of development** at the core of SSC.
- = In this sense, all forms of cooperation between developing countries should be eligible to report as SSC. Using monetization as the sole quantification criterion would ignore the diversity of modalities of SSC.
- = Financial cooperation and foreign direct investment are obviously important means of promoting development. However, low-cost initiatives carried out in the context of SSC can also generate structural changes in developing countries, with a direct impact on the eradication of poverty and more effective public policies. These results are no less important than GDP growth.

The Conceptual Framework: a leap forward

- The Nairobi Outcome Document (2009), in its para. 20 (c), “Encourage developing countries to develop country-led systems to evaluate and assess the quality and impact of South-South cooperation programs and triangular **and improve data collection at the national level.**”
- This was reaffirmed in para. 25 and 26 of the Buenos Aires Outcome Document (2019). In para.26, it was recognized the interest of some developing countries in establishing a methodology to account for and evaluate South-South cooperation.
- When the global framework of indicators for the SDGs and their targets was adopted in 2017, Indicator 17.3.1 was added: “*foreign direct investment (FDI), official development assistance (ODA) and **South-South (SSC)** as a proportion of the total national budget*”.
- The Inter-Agency and Expert Group on Sustainable Development Goal Indicators (IAEG-SDG), was mandated to refine and improve the 2030 Agenda indicator framework. An IAEG Working Group was established and, within it, a SSC subgroup.
- Brazil and Mexico offered to prepare a SSC measurement matrix (Feb-Mar/2021). The proposal was presented to the members of the Working Group in April-May 2021 and discussed in July 2021. Brazil and Mexico refined the matrix and clarified questions. A “glossary of terms” was prepared. With China's contribution and support, the matrix was further adjusted.
- The final version of the conceptual framework was approved by the subgroup in September/2021. The IAEG-SDG approved it in November/2021. In February/2022, the conceptual framework was approved at the 53rd meeting of the UN Statistical Commission. UNCTAD will be the custodian agency. We are now in the pilot-testing stage.

The structure of the Conceptual Framework

The conceptual framework presents **3 sets** of quantifiable elements, which can be measured and reported independently:

- **Group A:** Financial modalities of South-South cooperation (reported directly through monetization)
- **Group B:** Non-financial modalities of South-South cooperation (including inputs that can be monetized)
- **Group C:** Non-financial modalities of South-South cooperation (The same items of Group B, subject to quantification by non-monetized methods: inputs and outputs, as appropriate)

Note: the Framework focus the quantification of inputs and outputs, not involved in evaluation (of results and/or impacts) of SSC.

Group A: Financial modalities of South-South cooperation (to be reported directly through monetization):

A.1 - Loans

A.2 - Concessionality (grant element) in credit operations between developing countries

A.3 - Interest-free loans

A.4 - Non-refundable grants

A.4.1: developmental purposes

A.4.2: humanitarian purposes

A.5 - Contributions to International Organizations, Development Banks and Funds

A.5.1: Regular contributions to international organizations

A.5.2: Voluntary contributions (excluding self-benefit)

A.5.3: Capital paid-in to IFI and Regional/Multilateral Funds

A.6 - Direct cash transfers under social development public programmes in partner countries (approved by the partner country)

Group B: Non-Financial modalities of South-South cooperation (suitable for monetization):

B.1: Infrastructure projects

B.2: Goods and materials

B.3: Scholarships

B.4: Humanitarian assistance (between developing countries)

B.4.1: Donations of food, medicine, medical supplies and or other materials

B.4.2: Assistance to refugees

B.4.3: Dispatch of humanitarian missions: health professionals; first-aid workers; teachers

B.5: Training

B.6: Participation in Peace Keeping Operations

B.7: Technical cooperation

B.7.1: Experts - technical hours / opportunity costs

B.7.2: Per Diems, daily allowances, and airfares

B.7.3: Services; materials; equipment; supplies

B.8: Volunteers

B.9: Joint Research

B.9.1: Scientific-related infrastructure (labs, equipment, supplies)

B.9.2: Research personnel - working hours / opportunity costs

B.10: Administrative/Operational/Management/Coordination associated with the provision of SSC

Group C: Non-Financial modalities of South-South cooperation (quantification through non-monetized methodologies):

C.1. Infrastructure projects

C.2. Goods and materials

C.3. Scholarships

C.4. Humanitarian assistance (between developing countries)

C.4.1. Type: donation of food, medicine, medical supplies and or other needed materials in case of humanitarian distress situations

C.4.2. Type: assistance to refugees

C.4.3. Type: dispatch of humanitarian missions: health professionals; first-aid workers; teachers

C.5. Training

C.6. Participation in Peace Keeping Operations

C.7. Technical cooperation

C.7.1. Type: Experts - technical hours

C.7.2. Type: services; materials; equipment; supplies

C.8. Volunteers

C.9: Joint Research

C.9.1: Scientific-related infrastructure (labs, equipment, supplies)

C.9.2: Research personnel - working hours / opportunity costs

C.10. Administrative/Operational/Management/Coordination associated with SSC

Unit of measurement	Sub-units (Inputs and Outputs in the year reported):	SSC Modalities (non-exclusive):
1. Hour	1.1 Numbers of hours worked	Technical cooperation
		Joint Research (Cooperation in Sc&T)
		Training (instructors)
2. Individual	2.1 Number of Individuals directly benefited (# by Gender) (as OUTPUT)	Training (seats offered)
		Assistance to refugees (individuals registered for assistance)
	2.2 Number of volunteers dispatched	Volunteers
	2.3 Number of disaster relief personnel dispatched	Humanitarian assistance
3. Unit	2.4 Number of foreign students (# by Gender) (as OUTPUT)	Scholarships (number of scholarships offered)
	3.1 Number of jobs created (# by Gender) (as OUTPUT)	Economic cooperation (Infrastructure; public equipment etc.)
		3.2 Number of patents registered (as OUTPUT)
	3.3 Number of documents published (studies, research etc.) (as OUTPUT)	Joint Research (Cooperation in Sc&T)
	3.4 Number of technical cooperation and/or initiatives implemented	Technical cooperation
	3.5 Goods, equipment, materials and supplies donated	Economic cooperation (Infrastructure; public equipment etc.)
		Humanitarian assistance
	3.6 Number of infrastructure or public equipment units built (as OUTPUT)	Economic cooperation (Infrastructure; public equipment etc.)
3.7 Number of Operations	Humanitarian assistance	
	Peacekeeping operations	
4. Volume/Quantity	4.1 Infrastructure or public equipment built (Sq. meters) (as OUTPUT)	Economic cooperation (Infrastructure; public equipment etc.)
		Technical cooperation
	4.2 Goods, materials and supplies donated (Tons)	Economic cooperation (Infrastructure; public equipment etc.)
		Technical cooperation
	4.3 Goods, materials and supplies donated (Sq. meters)	Humanitarian assistance
		Economic cooperation (Infrastructure; public equipment etc.)
Technical cooperation		
		Humanitarian assistance

Thank You!