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Defining and Quantifying South-South Cooperation

Abstract

This paper explores the long-standing and controversial issue of statistics on South-South cooperation (SSC). Statistical systems on SSC are extremely weak across the board. The problems with measurement stem in essence from conceptual challenges with defining SSC and the political apprehensions associated with such exercises. This paper unpacks some of the technical challenges quantifying economic and technical cooperation between developing countries and discusses some of the incentives for partner countries to improve their reporting of their SSC. The paper will also highlight some of the experiences, approaches and methodologies for accounting SSC which have emerged in different regions of the global South. A number of options for a more focused definition, statistical parameters and accounting criteria for measuring South-South development finance, that can contribute to the improvement of statistics on SDG17, and the reporting of SSC at national, regional and global level.

Key words: South-South Cooperation, statistics, quantification, measurement, definition, SDGs



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Introduction

In the past two decades, South-South cooperation (SSC) has grown dramatically in both volume and geographic reach, manifesting itself through a diversity of approaches, modalities and instruments. In large part this is due to the rise of development finance from China and other emerging economies, but also through more intensive exchanges between low- and middle-income countries. SSC is now widely and explicitly acknowledged as an important contributor to the attainment of the Sustainable Development Goals (SDGs).¹

At the same time, many challenges - political, technical, institutional – are manifest when endeavouring to account for the vast flows of human, financial, knowledge and technological transfer between developing countries. Southern partners do not subscribe to common definitions and reporting parameters for SSC. Measurement efforts are hindered by the lack of a common conceptual framework, shared standards and consistent recording by different national agencies and ministries involved in international cooperation. Producing and maintaining statistics on SSC is challenging and technically complex due to the heterogeneity and plurality of SSC approaches and country experiences.

Above all, measurement of SSC has always been, and currently remains a highly political and sensitive issue. Many emerging powers do not want to quantify their SSC, due to the political ramifications such accounting exercises would have both domestically as well as in the international arena. SSC providers have avoided to be uniformly straight-jacketed and are thus highly averse to processes of monitoring, comparison, ranking, and peer-review, which are often considered to be overtly or covertly driven by the OECD-DAC (Bhatia, 2013). Many questions thus arise such as, why should SSC be measured? For what purpose and for the benefit of who? What are the incentives for partner countries to invest energies to develop sophisticated statistical and reporting systems for SSC?

Efforts to monitor and evaluate SSC have been generally more welcomed when such endeavours have originated on a voluntary basis and led by national stakeholders. Many countries have proudly showcased their success stories of South-South cooperation through micro/project level evaluations and case studies that utilise qualitative approaches to impact assessment. Many Southern think-tanks in different regions have made impressive strides in developing appropriate and flexible frameworks to assess quality and impact of SSC processes.²

Nonetheless, the quantification of cooperation between developing countries still falls short due to the lack of a technically and politically agreed definition for SSC. The BAPA+40 conference in March 2019 provides a unique opportunity for developing countries to tackle these long-debated issues and take the issue of SSC data forward in a meaningful and systematic manner.

This discussion paper unpacks and provides background to some of these conceptual and political debates. It highlights the experiences, approaches and methods used to account SSC taken by different countries and regional institutions in Asia, Africa and Latin America. It will also reflect on potential definitions for SSC, that effectively incorporate aspects of technical and economic cooperation, allowing countries and multilateral institutions to report SSC in a standardised and consistent manner, as part of the SDG monitoring process.

1. Why should SSC be measured in the first place?

Traditionally speaking, SSC statistics have been limited, inaccurate, incomplete or not available at all. The weakness (or absence) in monitoring, evaluation and information management appears to be a problem common to most SSC partners, evidenced by challenges of Brazil, Mexico, India, South Africa and China

(Sidiropoulos, Perez, Chaturvedi & Fues, 2015). In part this is due to the fact that Southern providers have had relatively little maturation of strong monitoring systems of their own, compared to those of more seasoned traditional development partners. In almost all South-South providers, cooperation is provided by a range of different entities, which often leads to a fragmented and ineffective approach to the management of information on external development cooperation (Besharati, 2013).

Increasingly, demands for accountability and more impactful programming are coming from the citizens and taxpayers of all countries involved in SSC (UNDP China, 2017).³ Even in the South, investors and taxpayers want to see 'value for money' and impact from their development initiatives. Whether they are developed, emerging or developing countries, governments all need to communicate and justify to their citizens, their parliaments and their domestic constituents, the investments that are being made overseas.

Accountability towards the beneficiaries or partner countries of the cooperation programmes is also a critical factor for the ownership and alignment to national development priorities and strengthening of country systems. Developing countries require accurate, comprehensive and timely data on support they receive from all development partners in order to integrate effectively such support to national planning, monitoring and budgeting processes (UN, 2017). Aside from governments; civil society, legislators and academia also need access to information on SSC to conduct more in-depth analysis to inform, support and evaluate policy-making.

The establishment of international development agencies in many upper middle-income countries are only at an embryonic stage (Chaturvedi, Fues & Sidiropoulos, 2012), hence it is important that they 'get it right' and learn from their own past experiences, that of their peers, as well as the experiences of traditional development providers, whether positive or negative. Monitoring systems can thus encourage reflection and a culture of learning which may lead to enhanced efficiency in development operations, ironing out problems, avoiding that which does not work, and adjusting policies and programmes to maximise results. Regular monitoring, reviews and evaluations are thus key to ongoing learning, refinement and improvement of development interventions and practices (CISSCA, 2018).

Accounting better SSC allows countries to better measure and empirically assess the contribution which they are making to global, regional and national public goods. Better data on SSC will increase understanding of the important role and contribution of the South in international development – without which such statements would be based only based on hearsay, subjective opinion and anecdotal cases. Improved statistics can thus provide useful evidence and ammunition for foreign diplomacy and international relations.

Within the framework of the SDGs, to properly monitor compliance with target 17.3 (mobilize finance) and target 17.9 (mobilize technical cooperation) a common monetary statistic is needed (Bracho, 2018). By thus improving data systems to support SSC, developing countries can better showcase the contributions of SSC to Agenda 2030, and complement their ongoing voluntary national reporting (VNRs) around the SDGs.

SSC is no longer a side-show. Better data is now required to accurately tell the story of South-South cooperation. If the global South doesn't come up with its own definitions and measures, others (most likely in the North) will continue to produce most of the analysis around SSC.⁴

2. SSC and ODA are different beasts

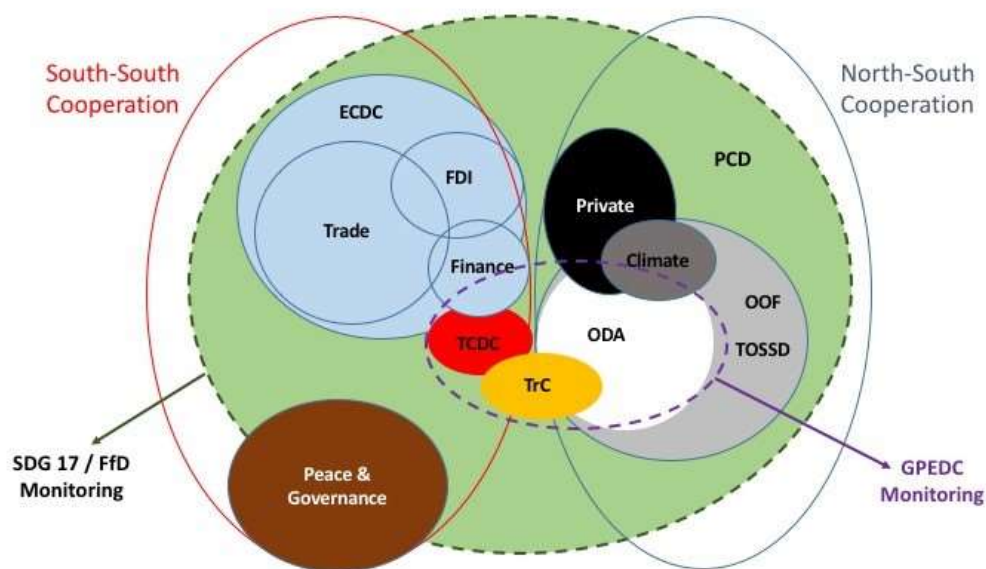
Historically, the Organization for Economic Cooperation and Development (OECD) has been the forum where statistics on development finance have been developed, collected, catalogued and reported for the members of the Development Assistance Committee (DAC) - viewed as the club of all major traditional donors. Stemming from a long and complex set of global political dynamics, the South has historically had an antagonist relationship with the OECD, including its statistical reporting systems of Official Development Assistance (ODA) and more recently Total Official Support for Sustainable Development (TOSSD).

From the early days of the DAC in the 1960s throughout 1970s, the concept of ODA was intensely discussed, revised several times, until it became immortalized into a definition for financial and technical flows to developing countries, which fit within the parameters of being a) developmental in purpose; b) concessional in nature; and c) undertaken through the official channels, whether bilateral or multilateral.

SSC on the other hand emerged out of a different tradition such as the Asia-Africa Summit in Bandung (1955) and the Buenos Aires Conference on Technical Cooperation between Developing Countries (1978). Because of its tremendous growth in recent decades, SSC has emerged as a major force in international development cooperation that operates in parallel to ODA from Northern countries. As a result, overtly or covertly, and perhaps not surprisingly, there has been pressure to align SSC with the monitoring systems of the OECD and integrate SSC into ODA or even the recent new measure of TOSSD to facilitate comparisons.

These attempts have been regularly met with rejections by the global South due to political as well as technical reasons (Besharati, 2017). While these objections may be understandable, the inertia to provide any viable statistical alternative, has left the global South vulnerable (MacFeely, 2018). Nature abhors a vacuum, and in the absence of an alternative, the OECD has filled it and pressed forward with the TOSSD proposal. Secondly, the resistance by some SSC providers to measure and publicly report their development cooperation has revealed serious challenges with transparency, accountability and multi-stakeholder participation, which undermine some of the core Nairobi (2009) principles around good SSC practice.

Figure 2.1
Partnerships, policies and financing for development



Source: Besharati (2018), GPEDC LAP training programme, Seoul⁵

3. How to define South-South (development) Cooperation?

In its original form when links within the South were limited, SSC emerged as a loose concept that included not only grants and technical cooperation but also regional economic integration, trade, investment, remittances, debt relief, humanitarian interventions and peace-building, export credit lines and other instruments and modalities of cooperation not included in ODA. In this broad and loose meaning, SSC breaks from the narrow ODA definition by including blended finance to and from private actors as well as financing not considered concessional according to OECD/IMF regimes. Southern countries have convincingly argued that such other forms of exchanges and solidarity between developing countries constitute powerful instruments for promoting international and regional development.

At the core of the measurement challenge is thus a conceptual challenge. While Southern providers argue that ODA is too much of a narrow definition, that privilege vertical relations driven by grants, technical cooperation and concessional loans; the question remains whether there should be a concise and modern statistical framework that can appropriately capture the current range of development cooperation between Southern countries. If this is the case, the same rigor applied to setting the boundaries and parameters of ODA must be applied also to establishing a clear new definition for SSC.

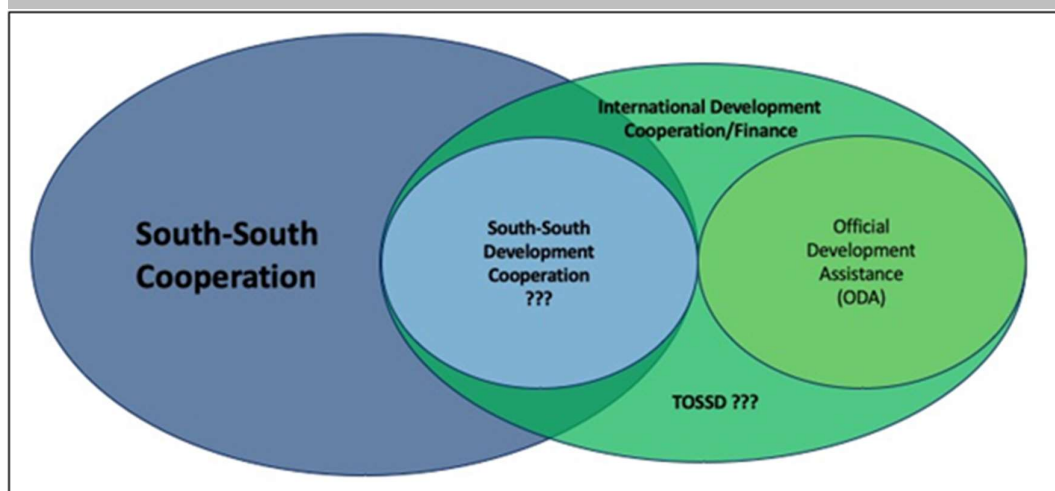
Irrespective of whether comparisons with North-South cooperation are welcome or not, if Southern partners are interested in conducting cross-country comparative analyses and learning from each other, SSC must be re-defined, and a consensus built around which specific modalities and instruments are to be included and excluded from the SSC conceptual framework.

One of the first questions that need to be clarified is whether SSC should restrict itself to only “flows” (technical and financial), as ODA does, or should SSC encompass also the realm of “policies”, which are more difficult to quantify and monetise (Bracho, 2018). Policy coherence for development (PCD), in other words the interplay of diverse policies (domestic and external) for the benefit of developing countries, is often part of the political rhetoric and operational frameworks of Southern partners as will be discussed in later sections.

Academics within the South continue to debate the relationship between development co-operation (DC) and SSC (See Figure 3.1). Some view SSC as a form of co-operation in the wider arena of DC, while others consider DC to be intrinsically part of a bigger SSC framework. Various meetings of Southern experts and policy-makers in Midrand (2015), Geneva (2015), Mexico City (2017) and Bangkok (2019) have argued that the term SSC is too broad to be useful for analytical purposes. Suggestions were made to rather measure South-South Development Cooperation (SSDC) as a specific sub-set of development co-operation that occurs between Southern partners. With such narrower definition, SSDC would distinguish itself for its concessional nature versus other market-driven activities that occur within the broader context of SSC. SSDC would thus be mainly official financial flows but could also include government policies and interventions, that impact on the private sector investing in other developing countries.

Figure 3.1

Relationship between the concepts of SSC, IDC, SSDC, ODA and TOSSD



Source: Authors adaptation from proposal by Articulaçao Sul, 2015

4. Challenges of quantifying technical cooperation

The Buenos Aires Plan of Action (BAPA), adopted at the United Nations Conference on Technical Cooperation between Developing Country (TCDC) in 1978 in Buenos Aires, has become an important blue print for the promotion of SSC. According to the BAPA definition, SSC is mainly constituted by technical cooperation, technology transfer, knowledge exchange and capacity development. These have constituted the bulk of the exchanges between middle-income countries particularly in Latin America.

Much of SSC is about solidarity, reciprocity, trust, equality, self-reliance and other abstract and political principles which are a priori difficult to quantify. But even practically speaking, technical cooperation involves a lot of 'in-kind' contributions such as the time and travel of civil servants and experts who visit other developing countries to share knowledge and experiences, build capacity, coach their peers, transfer technologies and approaches which may have significant impact on institutions and communities of partner countries in the long-term future. However, all of these "soft" aspects of technical cooperation, although clearly concessional and developmental, are less tangible and hard to measure or monetise.

Development agencies of specific countries such as Brazil (IPEA/ABC, 2018) and Mexico (AMEXCID, 2013) have developed sophisticated methods to account their technical cooperation and make efforts to produce periodic reports on their international development cooperation. One of the most systematic efforts is the *COBRADI* report where since 2010 the Brazilian Cooperation Agency (ABC) accounts and consolidates the human, financial and in-kind contributions of more than 100 Brazilian national institutions involved in international development cooperation.

Within the context of the Economic Commission for Latin America and the Caribbean (CEPAL), the statistical offices and development cooperation agencies of Argentina, Brazil, Colombia, Chile, Mexico, Peru and Venezuela, have embarked on an initiative to develop a common framework for the quantification of their SSC. Similarly, the Ibero-American General Secretariat (SEGIB, 2017) has built a central database and produces since 2007 an annual report that details the SSC of 22 countries from the Iberian, Latin American and

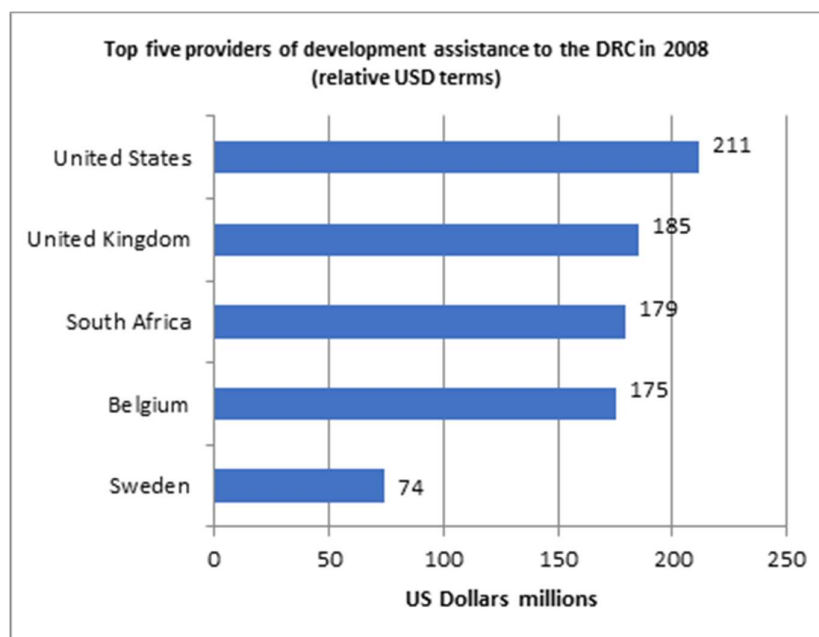
Caribbean region. The African Union's NEPAD agency and UNDP are currently trying to replicate the SEGIB approach in their own reporting on SSC in the African region.

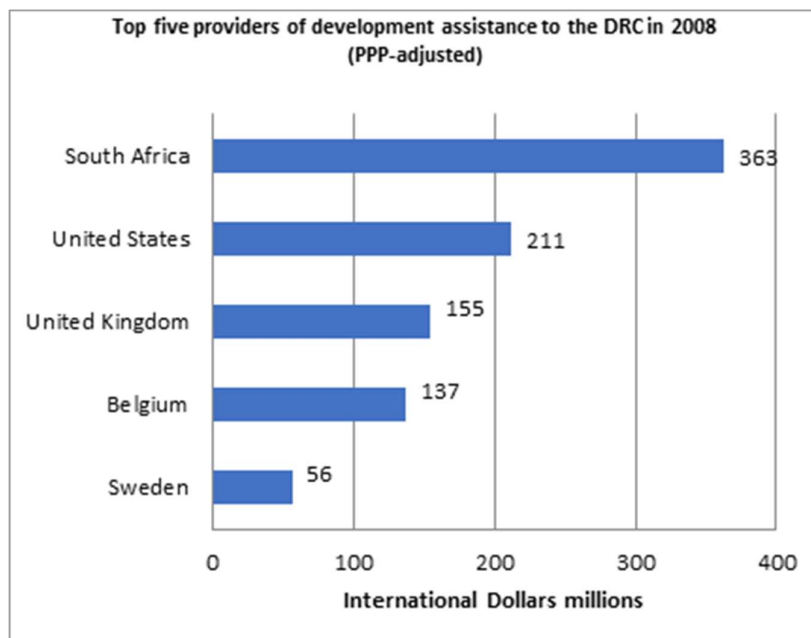
One problem when comparing technical cooperation from different countries is that the value can vary depending on salaries and prices in each economy. One million dollars' worth of goods and services purchased in India, for example, gets you a lot more than a million dollars of goods and services purchased in Switzerland. Are Norwegian doctors 'better' than Cuban doctors, simply because they are more expensive to deploy? Clearly not! Is it therefore fair to quantify technical cooperation from southern countries and compare this to the development cooperation of northern donors? AMEXCID has developed a complex system to measure the cost of technical assistants and seconded experts, based on salary scales and per diem rates of UN/international civil servants. Senior officials from Brazil (Correa, 2017) have argued that while quantification of development cooperation are important for accountability reasons, not all South-South cooperation should be, or can be, monetised.

When comparing SSC to NSC, several scholars (Besharati, Rawhani, Sterns & Sucuoglu, 2017; Mullen, 2014, Kharas, Prizzon & Rogerson, 2014) have adjusted development cooperation figures using Purchasing Power Parities (PPP). This results in a better comparison of different development partners' contributions based on economic capacity. A recent study on South Africa's development cooperation with the DR Congo illustrates this point. South Africa's ranking among the top providers to the DRC had a two-place variation (from third to first place), depending on whether the amounts were converted in relative US dollar terms or whether PPP was applied to the exchange rates (See Figure 4.1)

Figure 4.1

Top 5 Providers of Development Assistance to the DRC in 2008 (in absolute USD and PPP adj)





Source: Besharati, 2017

5. Capturing Economic Cooperation and Private Finance

The focus of Latin American reporting initiatives, noted above, is primarily technical cooperation. The vast economic cooperation, which is typical of the SSC approach adopted by Asian partners, is not effectively addressed in the SEGIB and other Latin reporting methodologies. Major gaps thus exist in the quantification of economic and financial cooperation between developing countries (ECDC).

Since the topic was initially introduced in Bandung, the economic cooperation between developing countries has intensified massively in recent decades, particularly in the areas of trade, investment and development finance, expanding SSC to include blended finance and partnerships between public and private actors. These are all important features of Chinese and Indian approaches to SSC.

The 'Development Compact', considered the 'cornerstone of India's development cooperation' (Chaturvedi, 2016), is a concept put forward to illustrate the nature of India's South-South cooperation. It takes an 'ecological approach' (Hoff, 2000) to development, which is seen to be achieved through the interactions of different externalities in the national and regional environment. This approach argues that cooperation between developing countries can occur via a variety of actions, including: a) capacity building; b) lines of credit; c) trade and investment; d) technology transfer; and e) classical grants. Such development cooperation involves both State as well as non-State actors.

This classical Asian approach to development cooperation is also reflected in the way China provides development finance using a blend of public and private resources and a wide diversity of institutions involved in the development partnerships. This approach to SSC which capitalises on trade, investment and economic cooperation between developing countries, was the central thrust of the Bandung conference as well as the establishment and operation of the United Nations Conference on Trade and Development (UNCTAD), both seminal processes in the history of South-South cooperation (Besharati, 2018).

As discussed earlier, a good deal of SSC does not occur through the 'official' government agencies, but rather through the Southern private sector, which trades and invests in other developing countries. Hence a critical

question which needs to be answered by partner countries is whether investments by the private sector and non-state actors should be included in scope and the quantification of SSC or not? In line with the previous consideration of separating commercially-driven from concessional finance, the ESCAP/UNDP expert meeting in Bangkok (12-13 March 2019) concluded that it would be sensible to exclude foreign direct investment (FDI) from the narrower statistical definition of SSDC but rather analyse FDI as part of ECDC. Although it would be useful for planning and mapping purposes to collect data on philanthropic flows between Southern countries, most developing countries would not have the capacity to systematically monitor such private finance for development.

When developing statistics for ECDC, some economists have argued that the financial impact of trade policies can be measured by modelling the potential loss of revenue from the reduction or lifting of import tariffs for goods and services from other developing countries. If the analytical efforts by partner countries as well as international organisations (such as UNCTAD, WTO, South Centre, etc.) are made to monetise the impact of such trade policies on least developed countries (LDC), such contributions could be potentially included in the new statistical framework for SSDC.

Finally, if Southern partners decide to go down the route of including trade, investment and private sector activities in SSC, considerations should be given to the reaction this will likely have on Northern donors, who may also feel justified in or compelled to include these mechanisms of export credit and private sector support in their ODA and TOSSD metrics, thus inflating figures of OECD-DAC countries' contribution to global development. Such attempts have been met with vehement criticism in the past by civil society and Southern partners.

6. Commercial versus Development; Concessionality versus Mutuality

Linked to the discussion on the inclusion of private investments in development cooperation, the lion's share of financing from countries like India and China actually comes from lines of credit (LoC), which are tied to products and services from the provider country. Such export credit and sovereign guarantees are often included in the SSC figures of the Asian emerging economies. But this begs the question, who is really benefitting from these financing arrangements?

If the British government were to provide funding to a British private enterprise to build roads in Bangladesh to facilitate trade of goods that support the business activities of British investors, this might well be viewed as neo-colonial or capitalist imperialism, even though these activities also bring some benefits to the local Bangladesh economy. However, if the same approach is taken by India in Bangladesh this is called SSC and viewed through a developmental lens.

'Reciprocity' and 'mutual benefit' have been the hallmark principles of SSC. Therefore, countries like China, who still see themselves as 'developing', do not see any dichotomy in supporting exports from their own domestic industries while providing infrastructure and other developmental support to partner countries. But who is receiving more benefits from such SSC activities? Southern scholars have long debated whether SSC between for example, Brazil and Mozambique, can still be justified as a 'partnership among equals'. Is the principle of reciprocity appropriate to all SSC endeavours or should the poorer partner country receive more benefits than the 'provider'?

If it is acknowledged that the South is not a homogenous block and there are power asymmetries within the South, one should question whether the financing provided by a large Southern economy to a smaller developing country, is provided primarily with a developmental intention or for commercial benefit of the provider country. Philosophically speaking, when can a loan be considered 'assistance' to a poorer partner and when is it a mechanism for a lender to enrich themselves through the miseries of a desperate borrower? This is why the rise of South-South development finance has also re-opened the debate and raised many concerns with regards to debt sustainability of low-income countries, who more and more turn to the new bilateral and

multilateral banks in the East (Arabs, China, India) once the financing taps of Western development finance institutions (DFIs) become closed.

Historically, commercial loans have been distinguished from development finance through the concept of 'concessional', or how much a loan is provided on quasi grant-like favorable terms. Concessional, or grant element, has been defined and calculated by institutions such as the OECD and the International Monetary Fund (IMF) with complex formulas involving a number of factors such as interest rates, grace period, discount rate, repayment period, and maturity of the loan.

It is interesting to note that while the Chinese government has used a fairly conservative definition for its foreign aid that includes only grants, technical assistance, scholarships, interest-free and highly concessional loans (according to OECD standards), many foreign scholars (Kitano, 2018, Myers & Gallagher, 2017, Dreher et al, 2017) have estimated massive volumes of Chinese official development finance by including different Chinese export/buyers credit lines and lending vehicles, which are questionable with regards to their commercial/ developmental motives and concessional levels. Depending on where the line of concessional is drawn this can make an enormous difference on the figures reported for SSDC.

While contesting the Northern development finance regimes, SSC partners are yet to define their own thresholds and approaches to calculating concessional of their various lending instruments. In his study of South-South development finance, Bhattarchaya (2016) found that credit lines from China, India, Brazil and South Africa differ in concessional depending on the method being used for calculation (IMF, old OECD, or new OECD method). Developing countries experience a mix bag of positive and negative effects from such Southern bilateral finance, but regardless of the international criticism, many recipient countries still prefer to borrow from Southern lenders than traditional DFIs.

While Southern experts agree that only the concessional, grant or subsidised element of loans should be counted as part of the SSDC statistic, further discussion need to be held on the concessional threshold that should be applied to the Southern lending instruments. Considering that Southern economies (both providers and recipients) operate with different conditions, contexts and financial structures (which affect for instance, interest rates, purchasing power, opportunity costs, etc.), it would be timely for Southern economist to develop new methods and systems for calculating concessional of South-South development finance, which cannot be measured with the same parameters used for traditional development finance. Due to the complexity and diversity of South-South loans and the new paradigm shift it is introducing, much more research, debates and exploration needs to occur in this arena in the near future.

7. African Considerations: There is no development without Peace

Similar to the economic cooperation aspects discussed previously, a departure from the strict developmental focus of ODA is the tendency for many Southern countries to account for the environmental, security, governance, justice and human rights expenditures made in the context of global or regional public goods. The South African government for instances has previously referred to SSC as "co-operation between countries in the field of aid, trade, security and politics to promote economic and social well-being in developing countries" (DIRCO, 2011). This certainly takes a more holistic view of SSC, and one that is more aligned to the Asian conceptual frameworks for SSC.

Within the ODA statistical norms, only 7% of non-military contributions to UN peacekeeping operations can be counted as ODA. But in Agenda 2063 (Africa's 50-year development vision) the African Union (2017) has made clear the central role that peace and stability play in the long-term development of the continent. From an African perspective, therefore, humanitarian, safety and capacity-building operations conducted by security forces of a provider country upon request of a recipient country could justifiably be counted as 'support to sustainable development'.

This approach however may open the doors for some Northern countries to include in their development assistance activities which are classified as fight against international crime and trafficking, intelligence gathering and counter-terrorism activities. Are these really global public goods, and who defines them as such? External interventions in the arena of security, governance and human rights are always politically sensitive, as they often imply infringement on national sovereignty, which is in direct opposition to some of the fundamental SSC values.

As previously discussed also with regards to technology transfer, knowledge exchange and technical cooperation, the excessive focus on financial inputs overshadows other non-financial contributions that are equally important. A trip, by say former president Thabo Mbeki, to a neighbouring African country to mediate between opposing parties in a crisis-affected region does not cost much, but its impact on long-term development could be enormous. Perhaps greater than a large-scale UN peacekeeping mission.

As Southern partners move forward with developing appropriate definitions for SSDC, considerations need to be given to capturing the important contributions that developing countries are making to the arena of global security, peace-building, good governance, environmental protection, regional integration and other public goods, which do not sit squarely in the traditional realm of development cooperation.

8. Conclusion

This paper has outlined the need and rationale for the improvement of statistics on SSC to better understand and assess the contribution that developing countries are making to the SDGs beyond their immediate borders. To bridge the current information and evidence gap; to allow more transparency and accountability towards citizens of partner and provider countries; and to provide standardised data that will allow for comparative analysis of SSC flows; it is paramount that a common conceptual framework is developed for the quantification and accounting of SSC.

At the moment it is still difficult to compare the SSC of, for instance, Brazil, South Africa and India because each country uses its own criteria and methodologies for quantifying its development cooperation. Depending on which aspects of technical and economic cooperation are included, SSC figures can vary enormously. In order to achieve consistent reporting in regional and global platforms, and allow for standardization of SSC statistics, consensus needs to be built around a common framework to measure the cooperation between developing countries. These could include Bandung elements of ECDC as well as Buenos Aires elements of TCDC (Bracho, 2018), but could also integrate the particular approaches to peace and governance support currently used by partners in Africa (Besharati, 2018)

Analogous to the efforts that OECD-DAC countries have made to developing measures like ODA and TOSSD, Southern partners need to develop clear parameters and criteria for what to classify as South-South Development Cooperation (SSDC). Whether comparisons with North-South cooperation are welcomed or not, if Southern partners are interested in conducting cross-country analyses and learning from each other, agreement needs to be reached on which specific modalities and instruments are to be included or excluded from the mooted measure of SSDC. A loose definition for SSDC may still remain flexible and broad to recognise the diversity and specificities of approaches and contexts of different developing countries while allowing for alignment to universal SSC values and principles (NeST, 2015).

Ironically, most of the current data on South-South development finance is generated in the North, by institutions such as the OECD, Aid Data, research institutes and universities in Europe and North America. Politically, it is no longer tenable to criticise northern statistics and methodologies without presenting a technically sound Southern alternative. BAPA+40 in March 2019 presents a timely opportunity for member-states and Southern partners to agree on some of the critical conceptual and measurement issues which have prevented SSC analysis and policy from evolving and adapting to the SDG era.

Think-tanks, academics and experts from the South can play a critical role in finding technical solutions to some of the above problems and offering well-thought methodologies and proposals to improve statistical systems on SSC. But ultimately such decisions are political and Southern member-states need to reach consensus on key issues of definitions and measurement, as witnessed by similar successful technical and political processes occurring in Latin America with the SEGIB reports.

BAPA+40 is an important landmark to address these long-standing issues, however discussions need to continue beyond Buenos Aires. Regular exchanges between Southern academia/experts and Southern governments can continue at regional and global level in fora such as the Director-General (DG) Forum of Southern Development Agencies as well as the High-Level Committee on SSC. These debates need to be driven by the South within the multilateral platforms, and supported by institutions such as the UNOSSC, UNCTAD, UNDP, UN-DESA and the regional commissions.

Ultimately advancements and break-throughs in the field of accounting of SSC can occur only when leadership is taken at country-level to improve data collection, information management and reporting systems for SSC. Institutional capacities need to be strengthened and closer collaboration needs to occur between development cooperation agencies and national statistics offices in order to improve data on SSC. As a simple first step, Southern countries can develop their own national definitions and methodological approaches to the quantification of SSC, so to provide more and better statistics on their contributions to SDG17 as part of their voluntary national reporting (VNRs) at the UN High Level Political Fora on Sustainable Development. Exchanges and learning across countries can then occur and organically global standards can emerge for reporting SSC.

Figure 8.1 Policy Options

To improve statistics on SSC the following scenarios are open to developing countries and partners gathering for the BAPA+40 conference (and beyond):

Option 1: Status quo – Southern partners don't do anything. To fill the information void, OECD, Aid Data and other Northern analysts continue to produce development cooperation and development finance data also in relation to SSC.

Option 2: Minimum common denominators – SSC partners try to harmonize basic reporting particularly around their technical cooperation. Other regions build on the successful multilateral reporting experiences in Latin America such as SEGIB and CEPAL.

Option 3: New measure for SSC – Developing countries agree on a holistic definition and clear statistical parameters for quantifying South-South Development Cooperation, including appropriate concessionality standards for South-South development finance.

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