

DEVELOPMENT COOPERATION REVIEW

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About Development Cooperation Review

Development Cooperation Review (DCR) aspires to capture holistic narrative around global development cooperation and fill an important knowledge gap towards theorisation, empirical verification and documentation of Southern led development cooperation processes. Despite growing volumes of development partnerships around the Southern world, there remains an absence of detailed information, analyses and its contribution to global development processes. Even though there have been sporadic efforts in documenting some of the activities, a continuous effort in chronicling the diverse experiences in South-South Cooperation (SSC) is still absent. RIS has endeavoured to launch DCR, a monthly periodical, to fill this gap.

SSC fast emerged as an important pillar of international cooperation. Complemented by its diversity in forms, modalities and practices, and moving away from the traditional 'one size fits all' approach, SSC operates on the principles of mutual sharing and solidarity. DCR is designed to bring policymakers, officials, researchers, academics and the development practitioners onto a global platform to share their ideas, experiences and concerns vis-a-vis development cooperation. The periodical would further allow us to feature special write-ups, analyses, opinion pieces, commentaries and in general the South's take on the emerging narrative of global architecture of development cooperation, including ODA.

The necessity of a publication that analyses development cooperation landscape through a Southern lens cannot be overemphasised, given the prevailing practice of looking at SSC from a typical Northern perspective. Through this publication, readers can keep themselves abreast of efforts carried out worldwide and the latest information about diversified efforts at development cooperation. The periodical will review and analyse bilateral/multilateral cooperation efforts, highlight key developments and issues in SSC and other narratives of development cooperation, besides underlining its discernible trends and patterns. In the evolving narrative on SSC, different modalities and divergent ideas are emerging.

Conceptually, SSC may be considered to have branched into five founding modalities of development cooperation that includes capacity building, trade and investment, development finance, grants and technology cooperation. These are collectively referred to as 'development compact', highlighting the logic that they are not mutually independent of one another. The purpose of DCR is also to concretize the notion of 'development compact' with all possible pluralities engaged in by different participants in SSC and simultaneously inform relevant stakeholders about the growing relevance of SSC in contemporary global affairs.

Editorial

The third issue of Development Cooperation Review (DCR) starts with a special article which discusses the modality and sector of technology transfer and science and technology as a tool for development cooperation in South Asia. The article specifically discusses cooperation between India and its South Asia neighbours. India led initiatives of South Asia satellite; Disaster Risk Reduction; and International Solar Alliance have been discussed in detail. The second article discusses country specific case-study of Zambia and its SSC activities. The article starts with a brief country profile of Zambia followed by India's cooperation with Africa in general and with Zambia in particular. India's foreign direct investment in Zambia has also been discussed in detail. Construction of Tazara railway line through China's assistance has also been described. The write-up ends with an important discussion on challenges faced by Zambia in continuation of SSC projects and possible recommendations to move forward.

The third article would elucidate the readers on the El Salvadorian experience with SSC. The first part of the article gives a brief background of the politico-economic condition of the country. The article then discusses the commercial policies of El Salvador; the country's various initiatives in the realm of SS and triangular cooperation and its effort towards Central American Integration. The fourth article in the special article section discusses the concept of "leverage of strength" through the sharing of experiences in Food and Nutrition Security (FNS) by the Brazilian government with five African countries – Ethiopia, Malawi, Mozambique, Niger and Senegal. The initiative is explained through discussions on the funding issue, steps adopted in the programme and tabularising the operational results.

The penultimate article in this section initiates a discussion on building Southern partnerships for action against climate change. The article focuses on the comparative advantages of SSC towards achieving a sustainable ecology. The advantages include: SSC allowing developing countries to focus on common prioritized problems; SSC enables deployment of solutions sensitive to local context of developing countries; and SSC facilitates capacity building in developing countries to take action against climate change. The last article is the case study of SSC initiatives in Nigeria. The article discusses objective of Nigerian SSC through Nigerian Trust Fund. Specifically, the write-up talks about the technical cooperation through agriculture sector reforms and political cooperation for institutional building.

The next section of the DCR is dedicated to our on-going 'Lexicon and Syntax' series on development cooperation. This issue discusses SSC from the perspective of premise control (brotherhood) which corresponds neither to the market nor to the hierarchical structure. The article then distinguishes between the three institutional structures in development cooperation through the lens of premise control. The pre-Paris Declarations of development cooperation has been referred to as hierarchical; Accra Action agenda has been discussed from the results based approach (aid effectiveness) paving way for market led governance of development cooperation. The article places SSC in the category of brotherhood thereby moving away from the centrality of market forces or hierarchy.

The conference report section enumerates the key takeaways from workshop held in Prague on 15-16 May, 2018 titled 'Investing in the Sustainable Development Goals through South-South and Triangular Cooperation'. Key takeaways included sustainable and responsible financing towards achievement of sustainable development goals and the way forward for the discussions on BAPA+40 session of UNGA in 2019.

DCR then takes up the review of the book titled *The Fragmentation of Aid: Concepts, Measurements and Implications for Development Cooperation*. In the Ambassador's perspective section, development cooperation projects and initiatives between India and Ghana have explored in a detailed manner.

The third issue of DCR concludes with the 'SSC in Statistics' section with emphasis on financial resilience in the South.

Science Diplomacy as a Tool for Development Cooperation in South Asia



*Dr. (Mrs) Malti Goel**

The South-Asia satellite with its solar panels is put into Geosynchronous Orbit (GSO) and has potential for SAS data utilization for various broadcasting and interactive telecommunication applications viz. television, direct-to-home (DTH), very small aperture terminal (VSATs), tele-education, telemedicine etc.

Introduction

A country's march towards modernization and economic empowerment is largely dependent on the progress it makes in science & technology (S&T). In South Asian countries the trade and economic negotiations have been pursued more meticulously. Such cooperation when contacted upon the issues related to S&T has often resulted in conflicts and controversies over security issues. However in 21st century, countries willing to pursue their development goals can no longer stay in isolation. There is necessity to abandon the political differences and collaborate in S&T in order to best serve a nation's own interests. The role of science & technology is inevitable in building dialogues, improving relationships and building bridges for sustainable development among the nations, and provides a unique niche for science diplomacy.

Cooperation between India and South Asia neighbors

India has been first among developing countries to provide aid to its neighbors in South Asia starting from 1950s with the aim of strengthening their infrastructure, communication as well as building relationships. From Plan aid to industry support, the financial aid took many forms. With the signing of Memorandum of Understanding (MoUs), between India and other nations the cooperation grew not only in the field of education and health but also in industry, energy and agricultural advancements. Skill development, vocational education and trainings have been pursued in multi-disciplinary fields. Scholarships were extended to students from neighboring countries under various schemes. Although India's aid to South Asia countries has been quite substantial compared to its needs and resources, such bilateral collaborations were regarded as Aid diplomacy¹. The Gujral Doctrine of Non-Reciprocity with its neighbours adopted

* Founder, Climate Change Research Institute and Former Adviser/ Scientist 'G', Government of India, (Views here are personal)

by India during 1990s, failed to arouse the interest of the partner country in development cooperation, rather labeled India as 'hegemonic power'², which was seen as a threat. Science communication at the country level remained below average, jeopardized with the fear of leaking defense secrets in view of increasing border disputes.

Leveraging Strengths in Science & Technology

Nevertheless, South Asian countries are undergoing significant transformations. South Asia Association for Regional Cooperation (SAARC) came into being in 1985 as geopolitical union of eight nations viz.; Afghanistan, Bhutan, Bangladesh, India, Maldives, Nepal, Pakistan, and Sri Lanka in South Asia aiming at economic, cultural and social ties with its headquarters in Nepal. Department of Science & Technology in the Ministry of Science & Technology, Government of India has nodal responsibility toward multilateral diplomacy and has been taking new initiatives. India has made conscious efforts to strengthen its relationship with its neighbors. There are bilateral and multilateral programs under the umbrella of not only SAARC, but also ASEAN and BIMSTEC, which have taken shape through extensive diplomacy including science diplomacy. In addition to these, India has taken several multilateral initiatives within SAARC aimed at the triple objectives of education-peace-development of the region.

South Asian University (SAU). India took a lead in setting up South Asian University (SAU) for the benefit of the region. The proposal was first discussed in the 13th SAARC Summit held in Dhaka in 2005. Prof...G. Rizvi an eminent historian

from Bangladesh prepared the concept paper in consultation with SAARC nations. An agreement was signed in the SAARC Summit held in New Delhi in 2007. The mandate of SAU to be established in India envisaged that the choice of the programs of studies offered would enhance learning in the South Asian community to promote an understanding of one another's perspectives and strengthen regional consciousness for better relationship besides education and capacity building³. Three core elements of the SAU are;

- i) Building a culture of understanding and regional consciousness;
- ii) Nurturing a new class of liberal, bright and quality leadership;
- iii) Building the capacity of region in science, technology, and other disciplines considered vital for improving the quality of life of the people.

The SAU began its operation in 2010 in New Delhi. The capital cost of setting the University is being completely borne by India. The mechanics of its operation include cost of running of University is shared on year-to-year basis by all SAARC member states and the contribution of individual member states is governed by a formula that has been jointly evolved. Interdisciplinary Research Centers and Institute of South Asian Studies are envisaged as core infrastructure. There are many challenges to face, yet it is indeed an opportunity for the neighboring countries to come forward to take part in this cooperative movement.

South Asia Satellite (SAS). Launch of South Asia Satellite (SAS) from Sriharikota on May 05, 2017 was heralded as India's science diplomacy victory. In line with India's 'neighborhood first' policy all Heads of SAARC countries

(except Pakistan) took part in the video conference of the launch of GSAT-9 by Indian Space Research Organization (ISRO) into Geosynchronous Transfer Orbit (GTO) and applauded the initiative. The SAS (previously SAARC Satellite) was renamed South Asia Satellite after Pakistan withdrew. The satellite with its solar panels is put into Geosynchronous Orbit (GSO) and has potential for SAS data utilization for various broadcasting and interactive telecommunication applications viz. television, direct-to-home (DTH), very small aperture terminal (VSATs), tele-education, telemedicine etc. Applications will include disaster management, broadcast of meteorological data and networking of academic, scientific and research institutions to strengthen the regional cooperation^{4,5}.

The cost of SAS is completely borne by India and prior to launch MoUs were signed with each country. The satellite also has the capability to provide secure hot line among the participating nations as critical communication links in times of disasters viz. earthquakes, cyclones, floods, tsunamis etc. It is therefore imperative to do more work to build scientific collaborations for using satellite data in newer areas such as weather forecasting, education and disaster risk reduction to leverage strengths in science diplomacy.

Disaster Risk Reduction (DRR). Soon after the disastrous Tsunami that occurred in December 2002 in the India Ocean, steps were taken to establish Indian National Centre for Ocean Information Sciences (INCOIS) at Hyderabad. The Indian Tsunami Warning System at INCOIS is equipped to issue warnings within 10 minutes of occurrence of an extreme event inside the oceans. A Real Time Seismic Monitoring Network (RTSMN)

has been established. To facilitate access to neighboring countries a network of national systems comprising of National Tsunami Warning Centers (NTWC) in each Member country is proposed.

India enacted Disaster Management Law in 2005 and proposed National Disaster Management Authority (NDMA) in New Delhi. The NDMA incorporated South Asian Disaster Management activities. The Government of India took lead role in organizing the “South Asian Annual Disaster Management Exercise” (SAADMEs)-2015. Its main focus was to test coordination efforts, create synergy and synchronize efforts to institutionalize Regional Cooperation on Disaster Response among the member countries. Delegations and rescuers from each of the eight SAARC nations – India, Maldives, Nepal, Afghanistan, Bangladesh, Bhutan, Pakistan and Sri Lanka participated. In the Asian Ministerial Conference for Disaster Risk Reduction (DRR) held in New Delhi in 2016, and Asian Regional Plan for Implementation of Sendai Framework has been evolved. First World Tsunami Awareness Day for the region was observed on November 05, 2016. In 2016, the SAARC Disaster Management Centre (SDMC) Interim Unit has been inaugurated at Gujarat Institute of Disaster Management in Gandhinagar. The SDMC is expected to serve the SAARC member countries and has a vision to be a vibrant Centre of Excellence for the knowledge, research and capacity building for regional cooperation. The overall disaster management capacities in the region are being strengthened through these initiatives.

International Solar Alliance (ISA). International Solar Alliance (ISA) is a multi-country partnership organization

with its Headquarters in India to boost solar energy development in response to climate change⁶. It is first inter-governmental organization which aims to mobilize \$ one trillion funds to achieve one terra watts of solar energy capacity by 2030. Solar resource rich countries falling completely or partly between the Tropic of Cancer and the Tropic of Capricorn are anticipated to be its members. Though it is an Alliance of more than 120 countries, all South Asian countries fall within the identified boundaries. The ISA has laudable goals to undertake a number of activities for its members, such as;

- Collaborations for joint research, development and demonstration, sharing information and knowledge, capacity building, supporting technology hubs and creating networks.
- Acquisition, diffusion and indigenization and absorption of knowledge, technology and skills by local stakeholders in the member countries.
- Creation of expert groups for development of common standards, test, monitoring and verification protocols.

Members are expected to take coordinated actions through programmes and activities launched on a voluntary basis, aimed at harmonizing and aggregating demand for solar finance, solar technologies, innovation, research

and development, and capacity building. It is no doubt a great opportunity toward combined effort through science diplomacy for achieving clean energy development to address climate change concerns.

Conclusions

Science & Technology are deeply rooted in the ancient culture of South Asia. India has tried development cooperation with its neighboring countries under bilateral and multi-lateral engagements. A beginning has been made in science diplomacy among the South Asian countries by taking new initiatives in the recent years. These need to be strengthened further by leveraging the 'soft-power' of science and technology in the foreign policy of nations. The partner countries have to come forward to build new ties by focusing on scientific collaboration within the ambit of nations' sovereign policies.

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Building Partnerships through South-South Cooperation

A Case of Zambia



*Ms. Chanda
Ashley Mwali*

It remains for developing countries in the global South to address the various challenges of implementing SSC, such as developing appropriate domestic, and international trade and relations policies in order for them to secure the benefits of the SSC philosophy and agenda.

Introduction

South-South Cooperation (SSC) is a broad framework for collaboration among countries of the South¹ in key domains such as politics, economics, social reform, culture, environmental management and technical support. SSC can involve two or more developing countries, and can also take the form of bilateral, regional, sub-regional or interregional collaboration. In the context of SSC, developing countries share knowledge, skills, expertise, and resources to meet their development goals through concerted efforts. Recent developments in SSC have taken the form of increased volume of South-South trade, South-South flows of foreign direct investment, movements towards regional integration, technology transfers, sharing of solutions and experts, and other forms of exchanges and collaborations. The article seeks to highlight the significance of SSC for developing countries in the Global south with specific focus on Zambia, while recognising Africa engagement with India and china.

Geography of Zambia

Zambia is a landlocked country located in Southern Africa bordering a total of eight countries. It has a total area of 752,618 km² of which 9,220 km² is water. Zambia is also home to the mighty Victoria Falls, which is among the Natural Wonders of the World as recognised by UNESCO.



Source: Zambia Tourism Board, 2011.

* Author is Intellectual Property and Trade Law Expert. The views are personal.

Zambia is a democratic country with a liberalised economic system since the inauguration of the multiparty system in 1991.

India-Africa Cooperation

SSC has traditionally been an important pillar of India's foreign policy and diplomacy. In a rapidly transforming global environment, SSC has come to acquire a special place with increased salience. In fact, India has been in the forefront of sharing its expertise and development experience with other developing countries in the bilateral, regional and multilateral framework. The Indian Technical and Economic Cooperation (ITEC) programme is the most important means by which India provides technical assistance to around 158 partner countries.¹

Among India's support efforts, is its contribution towards the African Development Fund- the concessional window of the African Development Bank (AfDB) Group, since 1982. More recently, it has boosted its overseas development assistance in the African region. Since the establishment of the ITEC programme in 1964, India has continued to engage the Africa region through fora such as the Africa-India Forum Summits (such as the one held in April 2008). During the summit, the Indian government pledged to enhance programmes of training and capacity for health professionals and physicians in Africa. Other pledges included joint projects involving the expansion of railway networks and other need areas, such as energy infrastructure projects.

Zambia - India South-South Cooperation

Zambia and India's economic and political relations have existed for a very long time. The two countries have cooperated from the time that India attained independence from Britain. Since then, Zambia has on several occasions turned to India for both political and economic support, in its struggle for independence against British colonial rule. The first republican President and other nationalist freedom fighters visited India and met Indian political leaders for material and moral support. While India - as a country - was offering this support, Indians (who were resident in Zambia, some of whom later became citizens at independence) also contributed significantly to the attainment of Zambia's independence.² Zambia's first leader Kenneth Kaunda also drew inspiration from Mahatma Gandhi who led the Indian freedom struggle. Kenneth Kaunda was largely influenced by the work of Mahatma Gandhi and the concept of "positive action." In May 1958, Kaunda travelled to India to meet those who had taken part in the non-violent movement that enabled India to secure its independence from British colonial rule. Kaunda continued to develop his ideology of positive non-violent action during Northern Rhodesia's campaign for independence.³ Through Gandhi's philosophy of peaceful resistance Kenneth Kaunda developed his ideology of *Humanism*.

After independence in 1964, Zambia had a number of challenges which included a great shortage of medical

1 OECD south-south questionnaire

2 <http://saipar.org/zambia-india-relations-era-economic-liberalization-globalization/>>

doctors, teachers, and other experts. In addition, Zambia did not have institutions and adequate financial capacity to train its people, hence the intervention of friends from the global South such as India, Cuba, China to mention just a few. Zambia has benefited a lot from India's expertise especially in the fields of science and technology.

Zambia has continued to engage with the partners in the global South. The most recent engagement between the governments of India and Zambia was in January 2010, when the Honourable Vice President of India (at the time), Shri M. Hamid Ansari, paid an official visit to Zambia. During the visit, the Honourable Vice President announced a new line of credit of US\$75 million for developmental projects in Zambia and a grant of US\$5 million for projects in the health, education and social sectors. A Loan Agreement between EXIM Bank of India and the Ministry of Finance in Zambia was signed to extend US\$50 million line of credit to Zambia for the Itezhi-Tezhi hydropower project involving TATA of India and ZESCO Ltd. of Zambia.

The Itezhi-Tezhi project is a 120MW base-load hydro power plant developed at the site of the existing Itezhi Tezhi dam on the Kafue River in Zambia. The project agreement was signed at the time when Zambia's power deficit had reached alarming levels as this was as a result of low installed capacity coupled with low water levels in rivers and other water bodies such as dams.

The project was developed by Itezhi-Tezhi Power Corporation Ltd (ITPC)

- a joint venture special purpose vehicle established in 2007. ITPC is 50% owned by Tata Africa and 50% by ZESCO. The company has a 25-year concession and a 25-year off take agreement with ZESCO. Following the completion of the Itezhi-Tezhi project, additional generation capacity of 120MW was added to the National Grid. The additional energy supply is a recipe for investment in industrial activities such as mining which has been the main economic activity and foreign exchange earner for the country. Other benefits are related to the Social status of communities which were hooked up to the national grid as the power supply meant that children could now study in the night and this resulted in improved literacy level among the communities and the general population of the country. The investment has also resulted in technology transfer through skills transfer that took place between the Zambian Engineers and their Indian counterparts during the construction phase of the project.

Technical and Economic Cooperation between Zambia and India

India has continued to provide economic assistance to Zambia, including hosting a wide range of skill development courses and training programmes. The main component of the ITEC training programmes comprises the civilian training programmes for capacity building covering a very wide range of subjects. Every year, around 5000 participants attend 200 courses in 43 select institutions in India which are centres of excellence

³ Source URL (retrieved on 01/08/2018 - 03:55): <https://nvdatabase.swarthmore.edu/content/zambians-campaign-independence-1944-1964>



(Itezhi Tezhi Dam)

in their respective fields.⁴ Zambia avails a large number of ITEC scholarships and to date around 2400 civilians have been trained in India in various disciplines under ITEC.⁵

The decision regarding setting up the ITEC programme was predicated on the underlying belief that “it was necessary to establish relations of mutual concern and inter-dependence based not only on commonly held ideals and aspirations, but also on solid economic foundations. Technical and economic cooperation was considered to be one of the essential functions of an integrated and imaginative foreign policy.”⁶

Regarding trade between India and Zambia, India’s exports to Zambia stands at US\$132.27 million (2007-08), US\$ 107.43 million (2008-09), US\$ 88.34 (2009-2010) and India’s imports from Zambia are at US\$74.84 million (2007-08), US\$ 208.40

million (2008-09) and US\$102.67 (2009-10). India’s export items include medical drugs and pharmaceuticals, machinery various instruments, transport equipment, cotton yarn and fabrics, plastic, rubber, chemicals, and electronic goods. India’s imports from Zambia includes non-ferrous metals, ores (copper and cobalt), semi-precious stones and raw cotton. India and Zambia had set up a Joint Permanent Commission at the Ministerial level and its last meeting was held in New Delhi in September, 2005.⁷

India’s FDI in Zambia

Since 2007, foreign direct investments from India into the Zambian economy has amounted to \$3 billion. This includes a \$2.6 billion investment by Vedanta Resources in Konkola Copper Mines, the establishment of a \$300 million manganese processing plant by Taurian Manganese and Bharti Airtel’s establishment of

⁴ OECD South –south questionnaire

⁵ www.hcizambia.gov.in

⁶ ITEC presentation, India

Airtel Zambia after its acquisition of Zain Telecom's African businesses.⁸ The investments have resulted into job creation and additional sources of tax revenue for the Zambian government.

Nava Bharat Singapore Limited, a subsidiary of Nava Bharat Ventures Ltd. of Hyderabad, purchased 65% equity shares in Mamba Collieries Ltd. The government of Zambia retains the remaining 35% shares through Zambia Consolidated Copper Mine Investment Holdings (ZCCM-IH). Nava Bharat invested US\$108 million in the recapitalization of Mamba Collieries and the installation of the new coal handling and washing plant. Nava Bharat also developed a coal fired power plant with a minimum generating capacity of 270 megawatts using the low grade coal of Mamba Collieries. The investment has added value to the low grade coal which was normally discarded as waste. The additional power to the national grid is supporting economic activities such as the development of the steel industrial cluster in Kafue town in Lusaka Province.

Furthermore, the EXIM Bank of India has a 34% share in the Development Bank of Zambia after a debt settlement agreement with the Government of Zambia, who owed \$18.8 million to EXIM Bank. Out of \$18.8 million, \$9.4 million was written off, \$8 million paid by the Government of Zambia in six instalments to EXIM Bank and \$1.4 million invested in DBZ. To date the EXIM Bank's equity stands at 20%, due to increase in the equity subscribed/paid up by other institutions.

China's Contribution to the Construction of Tazara Railway as part of SSC

China in the framework of SSC provided support to newly independent countries of Tanzania and Zambia in form of a railway line to improve the transport infrastructure. It came at a time when other developed countries declined to help and was perceived an impossible undertaking. Since Zambia was blockaded it had no alternative route to the sea except through South Africa via Zimbabwe which proved costly and as an exporter of copper which is a bulky commodity transportation via the road and air was also impossible. The TAZARA Railway, also called the Uhuru Railway or the Tanzam Railway, is a railway line in East Africa linking the port of Dar es Salaam in Tanzania with the town of Kapiri Mposhi in Zambia's Central Province. The single-track railway is 1,860 km (1,160 miles) long and is operated by the Tanzania-Zambia Railway Authority (TAZARA).

The Governments of Tanzania, Zambia and China built the railway to eliminate landlocked Zambia's economic dependence on Rhodesia (Present day Zimbabwe) and South Africa, both of which were ruled by white-minority governments (Thomas and David, 1994). The railway line provided the only route for bulk trade from Zambia's Copperbelt to reach the sea without having to transit white-ruled territories. The spirit of Pan-African socialism among the leaders of Tanzania and Zambia and the symbolism

⁷ <http://saipar.org/zambia-india-relations-era-economic-liberalization-globalization/>

⁸ "India's FDI to Zambia tops US\$3 billion". African Review. 14 June 2012. Retrieved 29 December 2017.



Maamba Collieries Coal Fired Plant in Sinazongwe, Zambia.

Source: <http://www.maambacoal.com/power.htm>

of China’s support for newly independent African countries gave rise to TAZARA’s designation as the “Great Uhuru Railway”.

The project was built from 1970 to 1975 as a turnkey project financed and supported by the government of China. At its completion, the TAZARA was the longest railway in sub-Saharan Africa (Brautigam, 2010). TAZARA was also the largest single foreign-aid project undertaken by China at the time, at a construction cost of US \$406 million; the equivalent of US \$2.50 billion today. The investment was important because it opened Zambia’s trade route to the sea via the port of Dar es salaam in Tanzania. This resulted in increased volume of copper exports and additional revenue for the country realised from copper exports.

Challenges of Implementing SSC

The largest impediment in relation to the SSC emanates from limited

or lack of participation of the citizens of the beneficiary countries in needs assessment, project design and implementation. This is further compounded by the lack of frameworks and structures by the providers of South – South co-operation to consult widely beyond the immediate beneficiaries of a project usually the government or the private sector.

At another level, the absence of an overall national policy on SSC makes it difficult for African countries such as Zambia to pursue SSC in a comprehensive manner. Even with political declaration



Source: Free Encyclopaedia, 2017. Locomotive at Kapiri Mposhi in Zambia.

for the support of the SSC at the highest political level, legal reforms and institutional and policy framework are inadequate to guide the engagement.

The lack of a special bank dedicated to the countries of the south has also slowed development and implementation of developmental projects. The bank could act as a special purpose financing mechanism for projects in the global south with capacity to offer loans at terms favourable and accessible by participating countries.

Recommendations

1. Countries in the global south should embrace the philosophy of SSC in order to build capacity among them and be ready to implement developmental projects.
2. The level of international cooperation must not follow a one size fits all, but countries should engage in cooperation agreements based on their development needs and mutual benefits in target programmes.
3. There is need for countries in the global south to set priorities among many competing needs such as efficient investments in technology, physical capital and human capital; supported by reforms in their international relations policies.
4. As articulated by Chakrabarti (2016),⁹ the modalities of development cooperation

must be pursued meaningfully, so as to contribute to the development of partner countries without infringing on their sovereignty, but also derive mutual benefits for both countries engaged in such a partnership.

Conclusion

In concluding I would state that India has actively engaged other developing countries such as Zambia in the cooperation programmes. In the preamble of his book, "The logic of sharing" (Chaturvedi, 2016), it highlights India's cooperation policy: "independent India has a history of successful cooperation with other developing countries. The extension of Indian resources and expertise to the global South, which dates back to the early 1950s, became institutionalised under the India ITEC programme established in 1964."¹⁰ India as a country has also emerged as a rapid growing economy together with other economies such as China resulting in increased development assistance from the two economic giants within the context of the SSC. It remains for developing countries in the global South to address the various challenges of implementing SSC, such as developing appropriate domestic, and international trade and relations policies in order for them to secure the benefits of the SSC philosophy and agenda.

⁹ Policy Brief: development compact – The cornerstone of India's Development Cooperation: an "Externalities" Perspective.

¹⁰ Chaturvedi S (2016): The logic of sharing; Indian approach to South-South Cooperation. Cambridge University press.

El Salvador and SSC Initiatives



*Francesca
Celine
Caceres
Escolan**

Within the framework of cooperation, and in tune with the spirit of development compact, El Salvador is promoter for generation of local and institutional capacities within social and productive realities of the development partners.

El Salvador is the smallest and most densely populated country in Central America. As of 2015, the country had a population of approximately 6.38 million, consisting largely of Mestizos of European and Indigenous American descent. Its capital and largest city is San Salvador. As a lower middle income country, its GDP is \$24 billion USD and the income per capita is \$3,800 a year.

As of 2010, El Salvador ranks 12th among Latin American countries in Human Development Index and fourth in Central America (after Panama, Costa Rica, and Belize) due to rapid industrialization. The country, however, continues to face high poverty, inequality and crime rate.

Its political framework is presidential representative democratic republic with a multiform, multi-party system. The President (at present Salvador Sánchez Cerén), is both the head of the state and the head of the government. Executive power is exercised by the government. Legislative power is vested with both the government and the legislative assembly. The country has also an independent judiciary and Supreme Court.

After the Civil War and the Chapultepec Peace Accords (1992), El Salvador began a new era of economic transition, based on stabilization and macroeconomic programme. This programme was considered an economic and social development plan, centred around the global goals to achieve sustainable economic growth.

In 1989, El Salvador adopted an economic model based on the following five pillars:

- Comparative advantage, based on the workforce
- Free Trade: to raise efficiency levels related to national production
- Salary adjustments according to the workforce productivity, instead of the cost of life or inflation
- Positive real interest rate, to escalate investments and savings
- Real exchange rate and increment competitiveness of national products to reduce or eliminate export and import distortions.

* Author is affiliated to Centro Nacional de Registros, El Salvador. The views are personal.

This model has had its support on two pillars: the stabilization and the macro-economic reorientation. The former grouped five policies to be implemented. They were regarding prices, fiscal, monetary and credit, and financial and commercial system. The pricing policy aimed at readjusting prices of water, electricity and sewerage. The fiscal pillar involved efforts to reduce fiscal deficit; the value-added tax (IVA) was the most important one, which led to stronger tax administration. The thrust of monetary and credit policies, was to allocate resources for productive activities, limiting financing of the public sector. The policies of the financial system were created for state deregulation and subsequent privatization. Finally, the trade policies were to reduce trade imbalance through elimination and reduction of taxes on exports, simplification in procedures and gradual reduction mainly of import tariffs.

With regard to inflation and GDP, since the end of the eighties, the country showed lower inflation rate, which allowed real GDP growth; which increased by 5.2 percentage points, but since the 1990s it has been fluctuating (Figures 1 and 2).

During 1990s, the economy grew at 4.5 per cent; and inflation reduced instead from 24.7 per cent to 3.00 per cent.

In 2009, GDP declined by 3.3 per cent, and exports and remittances by 17 per cent and 9 per cent, respectively; more than 30,000 jobs were lost in the formal, and there was fiscal deficit and public debt.

During 1999-2003, GDP growth was weak, but then accelerated in response to strengthening of external and domestic demands; mainly due to private consumption. El Salvador is among the ten countries with the highest rate of private

consumption in relation to the GDP of the world (World Bank), and is one of the few countries where consumption exceeds production.

The economy of El Salvador has undergone developmental changes through the implementation of three economic models - one of them is the primary agro-export model (from late nineteenth century to early twentieth century; and was in force until before World War I). This model was characterized as it revolved around the coffee production. After the World War II, the Industrialization for Importation Substitution (ISI) model was introduced, which lasted around three decades (1950-1979).

Then there was a breach, the so-called lost decade, its name was attributed to the Armed Conflict; it was till early 1990s, when the country adopted a new economic model, which as William Pleitez stated in his report, "this model since its implementation has not been able to get the country out of underdevelopment". Between 1999 and 2007, the country showed signs of strengthening its macroeconomic stability low level of inflation, absence of financial and exchange rate crises and manageable level of public debt. Other macroeconomic variables, such as savings and investments, however, presented low rates, which were a constant challenge for consolidating and guiding long term gains generated to boost investments and to encourage savings.

Since macroeconomic reforms encompassed both fiscal and monetary and exchange rate policies, tax reforms simplified the tax system to reduce and reorient expenditure and modernize the state; mainly focusing on education, housing and basic services (World Trade Organization, 1996).

With regard to monetary and exchange rates, the Central Reserve Bank (BCR) transferred medium and long-term loans to financial institutions rather than to economic activities. And in 2001, the Law of Monetary Integration came into force, bringing with it the introduction and circulation of the United States dollars as the official currency as the part of the monetary reforms, which were envisaged in early 1990s to reactivate economy and for contributing to a healthier financial system with lowering interest rates and reducing risks.

Commercial policy

As discussed earlier, macroeconomic reforms have led to changes in legal regime, which impacted trade and investment. The positive and negative changes have helped solidify foreign trade policy, advanced integration process and strengthened trade and investment flow

between El Salvador and the world. El Salvador has been actively involved in bilateral, regional and multilateral trade.

Instead of a productive economy, there is a strong consolidation of a service and consumption economy due to excessive imports and family remittances. In Five-Year Development Plans, formulation of an integral policy to promote export sector was through Free Trade Agreements (FTAs) (Figure 3), expansion of trade relations and strengthening of Central America Common Market.

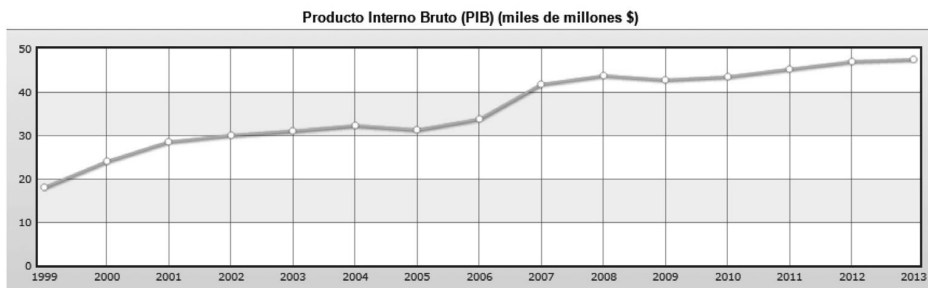
In terms of trade policy, El Salvador, within the objective set-out in the Five Year Development Plan 2009-2013, aimed at strengthening the spirit of integration with a broader vision not limited to the Central American region but projected into the Caribbean, largely by establishing new trade relations with the emerging economies.

Figure 1: Inflation between 1999 and 2013



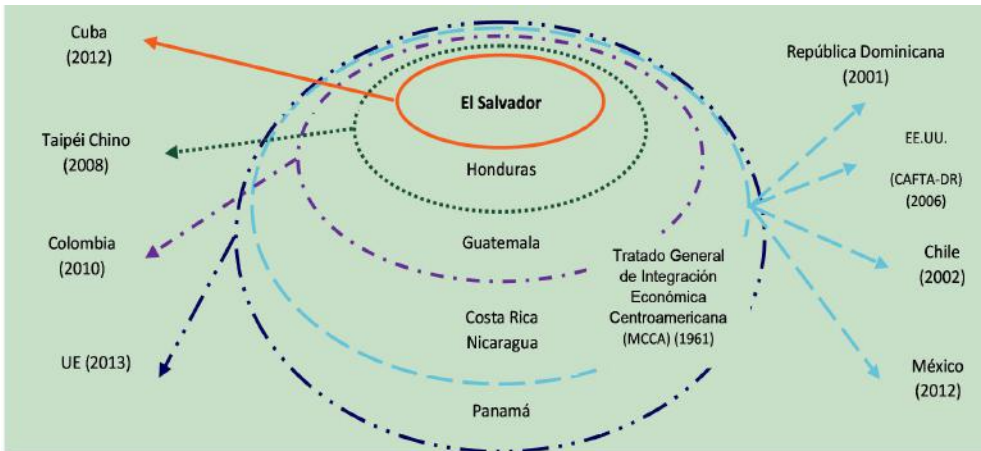
Source: www.indexmundi.com

Figure 2: Gross Domestic Product (GDP) between 1999 and 2013



Source: www.indexmundi.com

Figure 3: Trade Agreements (1961 - 2013)



Source: WTO.

Within the strategies envisaged to achieve the objective in the commercial matters, they are as follows:

- National development and solidarity contribution to the world through strengthening of international relations of El Salvador projected to the Caribbean, Asia and the United States.
- Economic and social integration of the Central American region: Promoting a Central American strategy for mobility, logistics, transport and ports, which may later translate into facilitation of trade in the Central American region.
- Strengthening of the national defense system.

South-South and triangular cooperation

Within the framework of the above cooperation, and in tune with the spirit of development compact, El Salvador is promoter for generation of local and institutional capacities within social and productive realities of the development partners. In this, the search for structural changes in the development process of the peers has a great relevance.

In the framework of South-South and Triangular Cooperation the country seeks to identify, design, implement, monitor and evaluate integrated and integrated development initiatives, which would promote substantive changes and would impact transformation into specific products or public policies for development.

For this reason, the new tools prioritise transfer of capacities and strengths that accompany establishment of development processes from execution of projects of integrated nature and valuing an accompaniment of greater scope through consistent and continuous exchange, leaving aside specific actions.

The main objective of the trade policies centres around Central American integration, which is why the strategies for negotiating regional, multilateral and bilateral treaties are aimed at achieving a concordance between goals adopted at the Central American level which reflect in the coordination of government institutions with commercial areas and the private sector for formulation of the policies mentioned (World Trade Organization, 2003).

This coordination resulted in the introduction of new regulations on customs procedures, intellectual property and investment. Mainly creation of the National Investment Office (ONI), (Investment Law, 2001), seeks to guarantee freedom of investment and national treatment, streamline procedures and reduce transaction costs for the investor, through the ONI, which functions as a one-stop shop, where the investor performs all paperwork.

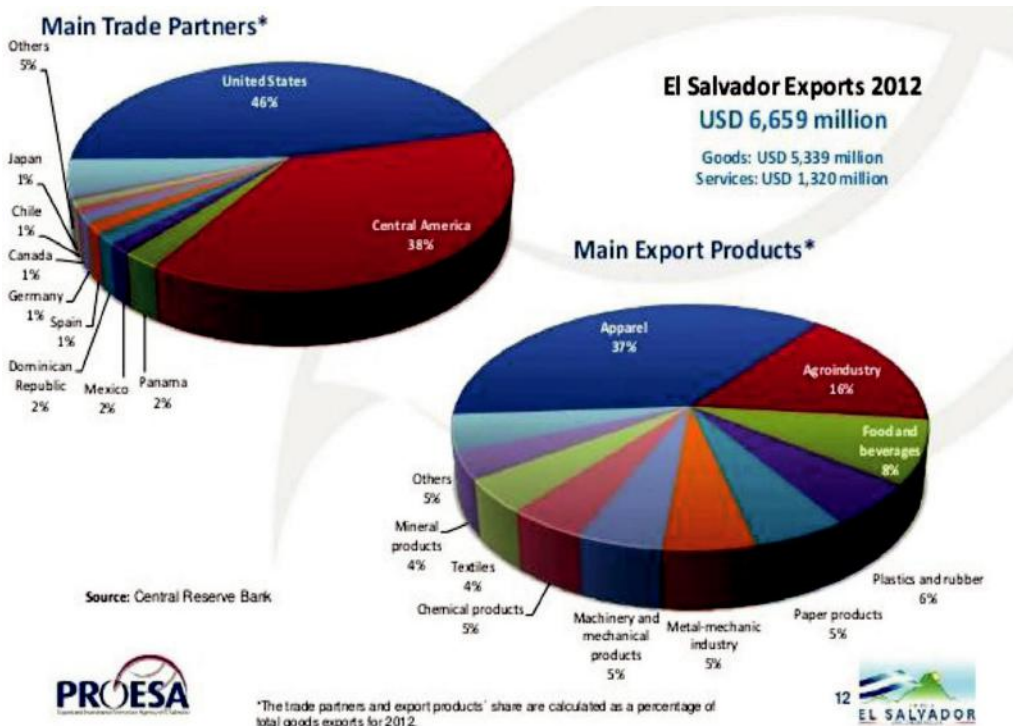
Conclusion

India's mission approach aims to identify growth drivers, which support partner development efforts. The first step is to identify partner countries based on the macroeconomics paradigms, the key of growth. It was interesting how they put in perspective two philosophies, the OECD based on economic cooperation with the new wave called South-South cooperation

(SSC), based on the partnership, more than donor-recipient (the North-South way).

The SSC has emerged as an important mechanism for collective advancement of developing countries to help them to become the new growth poles of global economy referring to three-quarters of the world. What makes unique this type of cooperation is that it brings to the table a fresh perspective of development based on a spirit of solidarity, transparency and self-reliance.

As India has been contributing annually with almost a 1 billion USD supporting SSC, El Salvador started this year a new catalogue where 20 public institutions participate to enable services for Latin America and the Caribbean countries among other regions of the South. The supply built is compounded by 43 diversified capacities based on the issues of SSC. El Salvador is making a collective effort.



A Bridge in the South Atlantic

The PAA Africa and the Human Right to Adequate Food



FOOD PURCHASE PROGRAMME – PAA



*Joao A. dos Santos Lima**

Brazilian government effort and contribution via South-South Cooperation model which is based on the principles of non-conditionality and demand driven. The Brazilian government shared expertise with the African partners in food and nutrition security without impositions.

Introduction

The paper focusses on the concept of “leverage of strength” through the sharing of experiences in Food and Nutrition Security (FNS) by the Brazilian government with five African countries – Ethiopia, Malawi, Mozambique, Niger and Senegal. This case is related to the implementation of the Human Right to Adequate Food as a way to achieve food security in African countries. To present this discussion, the paper is divided into three sections. Firstly, it presents the institutional framework of the programme, such as the actors, the budget and the launching. The second part describes the policy-making process related to the programme, i.e. how the Brazilian government is transferring its social policies to African countries. In the last section, the paper illustrates the importance of the programme for the food and nutrition security of the five countries through the results of the first phase.

The Purchase from Africans for Africa (PAA Africa) and the Human Right to Adequate Food Initiative

Hunger affects thousands and thousands of people in the world and it is one of the biggest challenges to governments. So, since 2003, the Brazilian government had been engaged with social policies as a way to mitigate the poverty, inequality and vulnerability of its population. As a result, 22 million Brazilians have escaped from the extreme poverty. For this reason, many countries have been seeking the Brazilian expertise as a solution

* Author is a Fellow at the Institute for Applied Economic Research (IPEA), Brazil. The views are personal.

for their national problems. Therefore, Brazil hosted, in 2010, the “Brazil-Africa Dialogue on Food Security, Fighting Hunger and Rural Development” in order to strengthen its partnership with African nations for agriculture and the fight against hunger. This Joint Initiative seeks to promote food and nutrition security and income generation for farmers and vulnerable communities in African countries.

As the main focus of South-South Cooperation is based on the principle of non-conditionality and of being demand-driven, the Brazilian PAA Africa Initiative to promote the Human Right to Adequate Food is a form of South-South Cooperation that has been designed to offer the country’s expertise to the demanding partners and the same can be adopted according to programmes or institutional arrangements in the local context. For this reason, each one of these five countries has focussed its own strategies within the PAA Africa. Despite that, there is a core foundation on which the PAA Africa is built on, which is the link between the supply of products from the smallholder farmers and the food security of children in schools.

Funding for the Programme The programme is inspired by the Food Purchase Programme, a Brazilian programme responsible for linking the production of smallholder farmers to the vulnerable communities with nutrition deficit; the PAA ÁFRICA initiative includes five small-scale projects in the five African countries. The initiative has received financial supports from the Brazilian Government and United Kingdom’s Department for International Development (DFID). The PAA Africa also receives the technical support from

the United Nations Food and Agriculture Organisation (FAO) and the World Food Programme (WFP). In the first phase of the programme, from February 2012 to December 2013, the Brazilian government contributed US\$ 3.6 million to the FAO and WFP, while the DFID contributed US\$ 917 thousand.

Steps Adopted in the Programme

- In the first step there are three different practices to provide effectiveness to the programme. In the first place, the Brazilian government and the international organisation need to improve the productivity of the smallholder farmers. So, these actors shared know-how in agriculture that would help farmers to be able to produce enough quantity with good quality. The adoption of good agricultural practices facilitated the dissemination of the acquired knowledge by farmer-to-farmer exchanges. Besides the increased productivity, the programme also respected the agricultural tradition of each country in order to avoid any interference in the nutrition context.
- The second step is related to the organisation of the inputs, which is one of the most important stages of the programme. According to FAO, the Brazilian-PAA is the most effective model of food procurement. However, regarding the lack of conditionality and the idea of policy transfer, the food procured through Brazilian-PAA is not exported directly to the partners. Instead, the food procurement is adapted to local context, being in some occasions more similar to the WFP’s model – Purchase for Progress (P4P) and equally in some cases adopted the Brazilian model. In fact, the food

procurement is a tool to promote local production and value chains, linking what is produced by the smallholders to local students.

- The last phase is represented by the creation of institutional arrangements, policies, legal framework and laws for school feeding programmes. Similar to the previous phases, each country has led its own policies. For example, the PAA is in line with the recently adopted National School Feeding Programme (PRONAE) in Mozambique, to be tested in 12 schools in the country. In Niger, the government put the 3N Initiative at the centre of its national priority, combining actions to overcome poverty and food insecurity.

Results

Table 1 reveals the operational results of Brazilian-PPA Africa initiative promoting the Human Right to Adequate Food in the five partnering countries of Africa. From Table 1, we can see that the programme has supported a total of 5,516 farmers,

420 schools, 128,456 students in the five partner countries.

Conclusion

This project indicates Brazilian government effort and contribution via South-South Cooperation model which is based on the principles of non-conditionality and demand driven. The Brazilian government shared expertise with the African partners in food and nutrition security without impositions. For these reasons, the PAA Africa has been used as an example to strengthen South-South Cooperation with regard to food and nutrition security in African countries. This success recorded is with the support and participation of some international organisations and the traditional donor, such as the United Kingdom.

Reference

PAA AFRICA. 2015. Phase 1: Learning and Results Report. Purchase from Africans for Africa (PAA). Available at: <http://paa-africa.or>

Brazilian-PPA Africa initiative			
Country	Number of Farmers Supported	Number of Schools	Number of Students
Ethiopia	2,160	7	8,949
Malawi	1,248	10	10,385
Mozambique	497	175	74,520
Niger	611	60	11,603
Senegal	1,000	168	22,999
TOTAL	5,516	420	128,456

Building Southern Partnerships for Action against Climate Change



Amrita Goldar*



Viraj Sawant**



Shubham Sharma***

Today, developing countries are facing the dual challenge of combating climate change and achieving economic growth at the same time. Technological advancement and economic growth go hand in hand. Developing economies lack the technological sophistication required to deal with this dual challenge. The historic Paris Agreement has created tremendous possibilities to collectively deal with the challenge of tackling climate change. United Nation Framework Convention on Climate Change (UNFCCC) enlists provisions for development and transfer of technology in article 4.5 and 4.7. Article 4.5 states that *“the developed countries and other developed countries in Annex II¹ shall take all practicable steps to promote, facilitate and finance, as appropriate, the transfer of or access to environmentally sound technologies and know how to other Parties, particularly developing country Parties, to enable them to implement the provision of the Convention.”* Article 4.7 underlines the dependence of effective implementation of convention commitments by the developing countries on the availability of financial resources and transfer of technologies. These countries exhibit limited capacities in finance, knowledge, skills, technology and institutional arrangements. Therefore, the greatest challenges today lie in the constrained capacity for implementation of the recommendations of the Paris Agreement.

There are no solutions that are universally applicable to some of the crucial problems of mitigation and adaptation. Trying to import solutions from developed countries directly in developing countries have not been particularly successful as we will see in latter sections. However, the developing countries among themselves share similar context in their financial, technological, and human resource capacities. Emerging

* Amrita Goldar is a Fellow at ICRIER

** Corresponding author; Viraj Sawant is a Research Assistant at Indian Council for Research on International Economic Relations (ICRIER)

*** Shubham Sharma is a Consultant at ICRIER

¹ As per UNFCCC classification 43 countries/parties are classified as ‘industrialized (developed) countries’ and ‘economies in transition’ are listed in Annex I. Of the parties included in Annex I, 24 are also listed in Annex II, including EU. These parties are members of Organization for Economic Cooperation and Development (OECD).

economies share structural similarities and thus their problem statements are similar and starkly different from developed nations. Even though developmental priorities of these countries are broadly aligned, certain degree of heterogeneity in the local circumstances exists. Countries have addressed the shared challenges in their individual capacities. Example of rice husk gasification technology can be used for illustration of this heterogeneity within countries with similar local contexts. China is the leader in the above-mentioned technology.² However, dealing with rice husk is a challenge for many developing countries, including India, where this issue attracted a lot of attention recently as slash and burn practices currently employed in paddy fields resulted in unforeseen levels of air pollution in the national capital of New Delhi. Rice husk gasification technology currently available in India is not advanced whereas adopting Chinese technology is not economical.³ South-South cooperation presents an opportunity for these countries to lean on each other for their respective strengths and to collectively solve the problems most pertinent to their shared local context. South-South cooperation has gained significant traction lately on global stage. In 2016, the Secretary General of the United Nations launched the Southern Climate Partnership Incubator (SCPI) to promote collaboration in the Global South in the areas of renewable energy, smart cities, climate resilience, and big data applications.⁴

Following three sections highlight three different aspects of South-South cooperation and its benefits in development and adoption of climate relevant technologies. These three aspects are mutually interlinked and thus the examples used to illustrate one aspect have relevance to other aspects as well.

a) South-South cooperation allows developing countries to focus on common prioritized problems

Nationally Determined Contributions (NDCs) submitted by the developing countries show synergies between actions against climate change and policies to achieve UN Sustainable Development Goals (SDGs) as decided in the 2030 agenda. Governments plan to adopt measures that integrate climate objectives in their development objectives by choosing less carbon intensive path to their economic and social development. Last year, SCPI launched a report titled 'Catalysing the Implementation of NDCs in the Context of the 2030 Agenda through South-South Cooperation'.⁵ The report conducted comprehensive analysis of NDCs of all developing countries and found substantial links between NDCs and SDGs. 10 out of 17 SDGs have linkages with more than 75% of the developing countries' NDCs. Out of the remaining 7, three have linkages with more than 50% of the countries' NDCs. The important SDGs connected to NDCs are 'Affordable and Clean Energy', 'Zero Hunger',

² <http://www.tifac.org.in/index.php/8-publication/141-technologies-for-use-of-rice-husk-as-a-source-of-energy-in-rural-areas-environment?showall=1>

³ Based on consultation with scientists working in this field at IISc.

⁴ SCPI Launch: <https://www.un.org/sustainabledevelopment/blog/2016/04/scpi-launch/>

⁵ Report available at: https://unfccc.int/files/resource_materials/application/pdf/ssc_ndc_report.pdf

'Industry, Innovation and Infrastructure', 'Life on Land', 'Sustainable Cities and Communities', and 'Clean Water and Sanitation'. These areas have tremendous scope for South-South cooperation as all the developing countries are working towards solutions in their own limited capacity on these common priority areas. Climate Technology Centre & Network (CTCN), the implementation arm of Technology Mechanism set up under the UNFCCC, facilitates transfer of climate relevant technologies when requested by developing countries. Out of 200 Technical Assistant Requests made to CTCN so far, 24 have been completed/ implemented.⁶ In these 24 projects, categories with maximum number of requests are 'Capacity Building', 'Industrial Upgrade', and 'Water'. After the top three, 'Food Security', 'Waste Management', 'Flood Management' have attracted most number of projects. India recently signed a new partnership agreement with Nepal to work on agricultural science and technology which will try to address issues such as climate resilience, agro forestry, soil health, etc. This agreement exemplifies Southern cooperation on priority areas.

b) South-South cooperation enables deployment of solutions sensitive to local context of developing countries

The Technical Mechanism established under UNFCCC has undertaken consistent efforts to transfer environmentally sound technology from developed nations to

developing ones. Additionally, technology finds its way to these countries through day-to-day business activity. However, it has been often observed that importing solutions from the Global North hasn't been very successful.^{7,8} Bio-power and waste management is a sector that is very sensitive to regional circumstances. Sweden and Denmark are among the leaders in the technology related to this domain. However, directly importing their technology to India has not been very fruitful. One of the reasons behind this is starkly different fuel composition. Technological rigor is necessary in understanding the fuel scenario in developing countries before deploying solutions. Another fuel related difficulty in developing countries arises due to high transaction costs. This makes many technologies that are used in the Western world, commercially not viable in India. India is a populous country and thus if a bio/waste power project is to be set up near the source (like a densely populated region) then one might be constrained on space. Thus, large scale plants may not be feasible in India and other developing countries. While achieving scale economies are important, we cannot say that large scale operations are the best way of going about things. Both Waste-to-energy and bio power are advocated because they are decentralised and can be set up with a small base of operations. India and other developing countries, many of which have higher than average population density can collaborate to develop technologies

⁶ List of projects available at: <https://www.ctc-n.org/network/ta-implementations>

⁷ Based on discussion with industry stakeholders

⁸ Tim Forsyth, 2005, 'Partnerships for Technology Transfer: How can investors and communities build renewable energy in Asia?', Chatham House, available at http://eprints.lse.ac.uk/4771/1/Partnerships_for_technology_transfer.pdf

that are suitable for their fuel mix and economical at the scale most suitable for them.

c) South-South cooperation facilitates capacity building in developing countries to take action against climate change

Even though climate relevant technologies are finding their way to emerging economies, there is no approach that builds the capacities in these economies to develop sustainable technologies on their own. Most of the technology transfer is through transfer of hardware which does not necessarily facilitate transfer of know-how. This is most evident in the case of solar PV technologies as the intellectual property is concentrated in select few countries like U.S., and Germany. The Global South should collaborate in a way that engages their systems of innovation to find solutions to common problems. This will build capacity in countries to understand their regional needs and come up with solutions. Development of national capacity to absorb new technology helps move away from the paradigm of 'technology transfer' and towards 'technology cooperation'.

According to the report by SCPI, many countries have expressed their willingness for more active South-South cooperation. India's NDC states that it will continue

to support the transfer of technologies to other developing countries and calls for more bilateral cooperative initiatives.⁹ In 2017, India pledged to contribute USD 100 million to India-UN Development Partnership Fund which is managed by United Nations Office of South-South Cooperation. This fund is meant to support Southern-owned and led, demand driven, sustainable developmental projects in developing countries.¹⁰ Brazil in its NDC has committed to increase cooperation with other developing countries in the areas of forest monitoring systems, low-emission and climate resilient agricultural practices, restoration and reforestation among others.¹¹ Brazil aims to support other Portuguese-speaking countries specifically in these domains. At COP-22, China co-hosted a high-level forum on South-South cooperation. In 2014, China had announced a \$3.1 billion South-South Climate Change Fund.¹² Korea in its biennial update report has mentioned technology development and transfer assistance projects it has undertaken in other developing countries in Asia and Central America.¹³ Projects in Asia lie in the domain of adaptation which is a major concern among developing countries.

South-South cooperation and multilateral partnerships (involving more than two countries) can also include North-South cooperation in

⁹ India NDC available at: <http://www4.unfccc.int/ndcregistry/PublishedDocuments/India%20First/INDIA%20INDC%20TO%20UNFCCC.pdf>

¹⁰ Business Standard: http://www.business-standard.com/article/news-ians/india-contributes-1-mn-to-un-development-partnership-fund-118020300002_1.html

¹¹ Brazil NDC available at: <http://www4.unfccc.int/submissions/INDC/Published%20Documents/Brazil/1/BRAZIL%20iNDC%20english%20FINAL.pdf>

¹² UNDP News Centre: <http://www.undp.org/content/undp/en/home/news-centre/speeches/2017/south-south-cooperation-on-climate-change.html>

¹³ Table 4.3 in Korea BUR, available here: <https://unfccc.int/resource/docs/natc/rkorbur1.pdf>

technological or financial capacity. In fact, many of the triangular partnerships (as documented by OECD) involve developed nations working with other developing countries.¹⁴ This arrangement benefits all parties as developing countries leverage on developed countries' capabilities and south-south cooperation and the better understanding of local context increases the likelihood of success of the project and thereby returns on investment for the developed nation partners. Out of 24 projects implemented by CTCN, many serve as examples of such triangular cooperation. 'Identification and

prioritization of technologies to address water scarcity and climate change impacts in Namibia' implemented by 'Council for Scientific and Industrial Research' based in South Africa with help of Denmark Technical University is an appropriate example of triangular cooperation on a challenge that demands coherence between SDG policies and action against climate change. South-South cooperation for action against climate change is an avenue of tremendous potential and we hope that it continues the momentum that it has gained recently in the international discourse.

Upcoming Events of Interest

Workshop on India-EU Development Cooperation and Way Forward

Workshop on India-EU Development Cooperation and Way Forward is being organised by Research and Information System for Developing Countries (RIS) and EU in India. The European Union's development cooperation with India has a successful track record, spanning several decades, dating back to the early 1960s. Major focus areas have included poverty alleviation, education, health and rural development. In 2005, the India-EU relationship was upgraded to a Strategic Partnership, boosting political, economic and sectoral cooperation. A decade later, following India's phenomenal developmental progress, EU decided to end its traditional type of aid assistance to India in 2014. Since then, the India-EU relations have transitioned and evolved into a more meaningful partnership. Specific outcome of this workshop would be a set of recommendations to EU and India on the following:

- Innovative models of development, best practices, successes & synergies that can be replicated, taken forward through future India-EU bilateral/trilateral/regional development cooperation.
- Potential areas of collaboration/ thematic sectors for India-EU development cooperation.
- Scope for triangular cooperation & possible third countries/regions that could be considered for future India-EU development cooperation.
- Recommendations on way forward and additional steps to feed into the India-EU dialogue process.

¹⁴ OECD Repository of triangular partnerships *Last accessed on 5th May 2018*: <http://www.oecd.org/dac/dac-global-relations/triangular-co-operation-repository.htm>

Small but Impactful

Nigerian-Led SSC Initiatives



*Adedeji
Adeniran**

SSC is prevalent in Africa, like in other developing countries. The major issue remains around scalability of these programmes, as most developing countries lack financial and technical capacity to assist others in replicating their homegrown development initiatives.

Introduction

South South Cooperation (SSC) basically refers to formal and informal sharing of resources, knowledge and technology among developing countries to fast-track economic growth and promote sustainable development. While SSC has been in existence for decades, it is only recently that momentum is building around it as a complementary mechanism for multilateral relation and global development finance. This new development is especially inspired through the growing role of developing countries like BRICS (Brazil, Russia, India, China and South Africa) within the global financial system. The BRICS countries account for one-fifth of world outputs. This has transformed SSC from a platform that exchanges only technical and policy ideas to include providing financial supports to other developing countries. The share of China's development cooperation between 2000 and 2014 is estimated at about \$354.3 billion¹, which exceeded the contributions by majority of the OECD countries in the same period. In general, these developments have led to recognition of BRICS countries as an emerging economic bloc.

In spite of this, the discourse around the SSC has been dominated by the contribution of BRICS countries. In fact, the emerging institutional framework for SSC is fixated on BRICS dominant role. The objective of this piece is to draw attention to other promising SSC initiatives within other developing countries, especially in Africa. The landscape of SSC in Africa is quite broad, as such we draw on case study of Nigeria-led SSC initiatives to document subsisting regional and continent-wide programmes among other actors within the global south.

* The author is a Senior Research Fellow at the Center for the Study of Economies of Africa (CSEA)

¹ <https://www.npr.org/sections/goatsandsoda/2017/10/31/560278615/find-out-some-but-not-all-the-secrets-of-chinas-foreign-aid>

Providing Development Cooperation through the Nigeria Trust Fund

The financial assistance component of SSC has mostly been regarded as a recent development. However, Nigeria has been providing development cooperation for more than three decades to low income countries through Nigerian Trust Fund (NTF). The fund is administered through the African Development Bank (AfDB), as a concessional loan to least developed countries. The assistance comes with less stringent rules, low interest rate, longer maturity period and domestic ownership of projects being financed. This makes it viable for poor countries, along the underlining principle of SSC – mutual respect and national sovereignty.

The initial capital for the fund was \$80 million in 1976 and was later replenished to \$76 million in 1980. The NTF was initially planned to last for 30 years (1976-2006). An independent assessment of the impact of the policy in 2006 reports a significant and positive contribution from the programme.² This led to a 10-year extension, starting in April 2008. Also, systemic reforms are been implemented to improve the impact of the fund, such as introducing regular Monitoring and Evaluation (M&E) into the fund disbursement, removal of the cap on NTF loan, which was initially set at \$10 million per project and allowing recipients choose the financing instruments. Overall, the NTF has been impactful in low income countries that lack capacity to meet the stringent criteria for accessing concessional loans from the multilateral institution. No

doubt the size of the financial contribution is small, but in the spirit of SSC, this complements other traditional financing mechanisms available to poor countries.

Technical Cooperation through Agriculture Sector Reforms

Before 2012, fertilizer subsidy in Nigeria was a vicious cycle that encouraged rent seeking and corruption. The whole distribution chain for channeling the subsidy revolved around government, who purchase and distribute fertilizers at discounted rate to farmers. In reality, few farmers benefited from the programme, as officials merely shared the fertilizers among themselves and resold to farmers at exorbitant prices. However, the fertilizer subsidy reform in Nigeria under the Growth Enhancement Scheme (GES) eliminates these abuses through removal of government direct intervention in the procurement and distribution of farm inputs (such as: fertilizers and seeds) as well as positioning the agriculture sector to be more business-oriented.

Under the policy, farmers and input suppliers interact directly in the distribution chain, while government subsidy are channeled to farmers through a voucher system called e-wallet. The scheme also tries to weed out the unintended beneficiaries through the development of a national farmer’s database. The e-wallet is doled out only to registered farmers via their mobile phones, which serves as a unique means of identification. As at 2017, the agricultural subsidy reform is noted to be reaching 4 million farmers annually and enable government to have saved about

¹ https://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/4%20-EN-%20Nigeria_Trust_Fund_%28NTF%29_-_Operational_Guidelines.pdf

\$192 million.³

The success of the subsidy reform in Nigeria has inspired similar reforms in other developing countries. Afghanistan in 2017 introduced a similar reform, with assistance from Nigeria partners. The Nigerian Ministry of Agriculture and private firms involved in the reforms have also helped replicate the initiative in Liberia and Togo. Again, the chain of digitalization of agricultural subsidy taking place in many developing countries underscores the growing contribution of Africa-led SSC to economic development.

Political Cooperation for institutional building

SSC is often criticized for lacking in governance and institutional building component. This is because the emphasis on national sovereignty could incentivize authoritarians to benefit from cooperation among developing countries, without pressure for reforms. West Africa region has, however, provided a tangible mechanism through which SSC can engender institutional development. The Economic Cooperation of West Africa States (ECOWAS), of which Nigeria is arguably the most prominent member, has played a significant role in peace building and democratic support in the region. In 1990, the formation of regional peace-keeping force led to successful intervention in the Liberia civil war and subsequently in Sierra Leone.

More recently, the region has combined diplomatic and military pressure to address the problem of unconstitutional change or retention of power. In the case of Mali and Sao Tome and Principe, the

military coups were reversed due to lack of support and pressure from the regional body. Also, attempts by incumbents in Ivory Coast and Gambia to subvert democratic principles in their countries were prevented.

An ongoing debate in SSC is with regards to demand driven principle of cooperation. A major point of contestation is as to who's demand does SSC fulfill, is it the state's demand or is it the people's demand? In these various interventions, the people's demand seems to be accorded more priority, but in a way that is not against the mutual respect and national sovereignty principles of SSC. The interventions were carried out through peer pressure, based on a mutually acceptable institutional framework by all member states, for violation means national sovereignty principle is inapplicable. In general, ECOWAS has played a crucial role in improving peace and stability as well as democratic institution development within the region over the past three decades.

Conclusion

SSC is prevalent in Africa, like in other developing countries. The major issue remains around scalability of these programmes, as most developing countries lack financial and technical capacity to assist others in replicating their homegrown development initiatives. This therefore indicates an important role for triangular cooperation. Going forward, there is need to develop an institutional framework for repository of the innovative development ideas emerging on the continent.

¹ <http://velocitycapital-pe.com/?p=54>

Lexicon and Syntax of Development Cooperation: The Choice of Premise Control



*Milindo Chakrabarti**

As the SSC has been more focused on the principles of solidarity with partners, the goals to be achieved are not really uniquely measurable; they are often normative. The actions set to be applied are not fully known either, paving the way for plurality of modalities; and hence the insistence of not committing to any fixed template of accounting for SSC.

The collective action centred around solidarity – economic, political, cultural and social – which began in 1955 involving nations that were primarily erstwhile colonies, went on unabated in providing moral support to yet to be independent countries till they had earned their freedom from the clutches of colonization. The Buenos Aires Plan of Action (BAPA) emerged in 1978 as one of the most significant milestones in this journey of solidarity of the Southern nations in the spirit of “pooling and sharing”. The concurrent establishment of United Nations Office for South-South Cooperation during the same year also established SSC on a sound footing. BAPA helped evolve the idea of Technical Cooperation among Developing Countries (TCDC). On September 12 1978, delegations from 138 countries adopted BAPA by consensus. BAPA identified a four tiered – at national, regional, inter-regional and global levels – action strategy consisting of 38 points of action. The objectives and the action plans clearly reveal the intent of SSC to foster a collective action process among the developing nations – mostly countries that were decolonized – to realize their aspirations, values and needs in a strategic manner so as to carve a niche in the global economic and political arena. The success of a collective action process can be successful only when it revolves around a sound governance structure – the set of rules of the game that we discussed in the previous issue.

Collin (1993) develops a third form of a governance structure that corresponds neither to a market nor to a hierarchical structure. He identifies such a structure as “brotherhood”. He dwells on two features of any governance structure – measurability of goal attainment and knowledge about the actions to achieve the goal. A market governance structure is characterized by a situation where the goals to be attained are highly measurable. Under such a scenario, the governance is carried out through a bargain mechanism involving completely specialized contracts. Market exchanges are such that there are no difficulties in separating and specifying a party’s

* Author is a Visiting Fellow at RIS.

contribution to the exchange as long as the contracts for exchange are defined and the coordination of the parties' efforts are carried out through the price mechanism. Such a mechanism involves specification of the output (measurable goals) in the negotiated contract. Thus it may be called to involve a case of "output control".

Hierarchy on the other hand, governs an exchange under conditions of high transaction-specific investments. Specification of necessary actions is done ex post through the use of command - a part of authority relation. It is suitable under situations of low measurability of goal attainment but high knowledge about actions needed to achieve the desired goals. Such cases are found to involve "action control".

A third form of governance structure emerges when neither the goals are highly measurable nor the actions required to achieve the goals are clearly known. Collin (1993) identifies them to be guided by what he terms as "premise control" - control prior to action through socialization and controlling the inputs. The three modes of control may be classified into a matrix as given in Table 1

Following Collin's typology we may distinguish between the three institutional structures in Development Cooperation

(DC). The pre-Paris Declaration approach to DC by the traditional donors may be identified as a hierarchical model of governance characterized by action control, with authority of the donors exemplified by strict conditionalities accompanied by emphasis on monitoring and process evaluation. With not much clarity in terms of measurability of goal attainment, it was but natural that the traditional donors stuck to "action control" and the recipient countries did not enjoy much autonomy in terms of their participation in managing the decision making process vis-à-vis the utilization of the funds committed and disbursed as DC. The Paris Declaration followed by Accra Action Agenda indicated a change in approach to DC. Calling for efforts at aid effectiveness, a new approach argued in favour of results based management of DC. Subsequent identification of Millennium Development Goals (MDG), on the one hand, and rooting for impact evaluation, on the other, cleared the deck for a shift to a market led governance of DC. The autonomy of the recipient countries increased through institutionalization of "Poverty Reduction Strategy Paper" - a joint document prepared by the donors and the donee (Craig and Porter 2003). The approach concentrated on preparing an exhaustive

Table 1: Discrimination of control types In terms of knowledge and measurability

Knowledge about the action	Goal attainment	
	Measurable	Not measurable
High	Action control or Output control	Action control
Low	Output control	Premise control

list of negotiated contracts between the parties engaged in DC, with exclusive focus on outcome – output control, to be specific. The experiences gathered over the past four decades were rich enough to move towards output control, as the goals to be achieved appear by now to be clearly measurable, with increased utilization of the methodology of impact evaluation – particularly randomized control trial (RCT). Pre-Paris Declaration approach was, on the other hand, rather characterized by a complete focus on action.

The spirit of SSC, on the other hand, was since Bandung, through BAPA, founded on an ideology that delved into mutual trust among partners in the spirit of solidarity. Such an effort was facilitated by emphasis on increasing people-to-people contact through mostly capacity building efforts that involved participation of individuals from across a host of nations sharing their experiences with one another – a declared respect for premise control. Such principles paved the way for horizontal sharing of experiences and consequent empowerment of the

citizens from all the partners engaged, contributing to their mutual benefit. Quest for such a roadmap also coincided with efforts to build new institutions to support SSC. As the SSC has been more focused on the principles of solidarity with partners, the goals to be achieved are not really uniquely measurable; they are often normative. The actions set to be applied are not fully known either, paving the way for plurality of modalities; and hence the insistence of not committing to any fixed template of accounting for SSC. SSC, for its governance, thereby chooses the appropriate control regime in the form of premise control.

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Recent Happenings in Development Cooperation

KOICA to Build Vocational Training Center in Myanmar

The Korea International Cooperation Agency (KOICA) will build a center for technical and vocational education and training (TVET) for free in Yangon, the largest city in Myanmar. Center is set to be completed by the end of next year and will be the largest of its kind in Southeast Asia. The project will serve to strengthen and expand development cooperation with Myanmar. The center is slated to have seven buildings including dormitories for the faculty and students. Construction will cost over 12 million dollars.

Source: KOICA to Build Vocational Training Center in Myanmar, KBS World Radio, 21 May, 2018

Investing in the Sustainable Development Goals through South-South and Triangular Cooperation: Promoting conducive policy and legal environments in Europe and the Commonwealth of Independent States

Throughout the Global South, evidence is emerging of a major shift in the catalytic drivers of economic growth and human development. The world is witnessing remarkable increases in economic output and major improvements in key human development indicators as well as the rapid expansion of trade, investment and financial, technological and other flows between developing countries. South-South and triangular cooperation is being increasingly recognized as one of the primary accelerators in current progress towards the achievement of the Sustainable Development Goals (SDGs). Both investment and trade are important dimensions in South-South cooperation which are rapidly increasing in volume among Southern countries.

Network of Southern Think Tanks (NeST) participated in a workshop on “Investing in the Sustainable Development Goals through South-South and Triangular Cooperation: Promoting conducive policy and legal environments in Europe and the Commonwealth of Independent States”. It was organized by United Nations Development Program (UNDP), United Nations Office for South-South Cooperation (UNOSSC) and Yingke Law Firm. It was organised on 15-16 May, 2018 in Prague. The workshop gave an opportunity to deliberate and discuss on the issues of South-South investment for sustainable development goals (SDGs): global and regional trends; public and private partnerships; Tourism as a facilitator for South-South Investment;



Participants at the conference in Prague (15-16 May, 2018)

and Digital Economy and its contribution to South-South Investments.

The first event of this nature, was held in Bangkok, Thailand “South-South Investment for Sustainable Development Goals: Policy and Legal environment in Asia” in August 2017. The event scoped the contributions of South-South investment on the SDGs in Asia, identified challenges and good practices in policy and legal areas that can facilitate better South-South investment for the achievement of the SDGs in Asia. A scoping paper was developed which provided a comprehensive review of policy frameworks and identifies further research questions on the policy and legal environment for South-South investments in Asia. The research questions have fed into a research agenda which think tank networks, members of the South-South Global Thinkers, are currently undertaking.

This event in Prague, co-organized by UNDP, UNOSSC and Yingke law firm also scoped the contributions of South-South investment in the SDGs in Europe and CIS region, and identified challenges and good practices in policy and legal areas that can facilitate better South-South investment for the achievement of the SDGs

As is known that UNOSSC has created a platform of Southern network of think tanks known as South-South Global Thinkers initiative. The network members include:

- Middle East and North Africa Public Administration Research Think Tank Network (MENAPAR TTN) based in Manama, Bahrain
- Silk Road Think Tank Network (SiLKS) based in Beijing, China
- Network of Southern Think Tanks (NeST) based in New Delhi, India
- Southern Voice on Post-MDG

International Development Goals based in Dhaka, Bangladesh

- Iniciativa Latinoamericana de Investigación para las Políticas Públicas (ILAIPP) based in Quito, Ecuador
- The Global Research Consortium on Economic Structural Transformation (GReCEST) based in Beijing, China

The workshop provided a platform for the network members to discuss their ongoing work and future plan of action towards achieving SDGs through South-South Cooperation (SSC). The workshop also acted as a preparatory ground for 2019 BAPA+40 meeting.

United Nations General Assembly in August, 2017 adopted a draft resolution by consensus to convene “Second High-Level United Nations Conference on South-South Cooperation” to be held in Buenos Aires between March 20-22, 2019. The scheduled conference will mark the 40th anniversary of UN Conference on Technical Cooperation among Developing Countries held in Buenos Aires in August of 1978. It led to the adoption of Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries (TCDC), popularly referred to as Buenos Aires Plan of Action (BAPA).

1978 saw adoption of BAPA framework in a conference attended by 138 countries, 45 ministers, 41 deputy ministers and 81 heads of cooperation and planning departments. BAPA for the first time enunciated the basic principles of interaction between countries which in later years formed a part of non-negotiable principles of SSC. It included respect for sovereignty, non-interference in internal affairs and equal rights. It also guided the developing countries towards strengthening innovative mechanisms for

building legal frameworks, institutional frameworks and financing mechanisms at national, bilateral, regional and multilateral levels.

The key takeaways from the workshop are as follows:

- Financial sustainability of South-South (SS) projects was highlighted with cautioning towards debt trap for recipient countries. Lack of or absence of demand driven approach in some of the SS projects are leading to high costs for the recipient countries in terms of shift of the economy and generating new skills and manpower for the project which were not demanded by the country but are being delivered anyway.
- On a futuristic perspective, the sectors of tourism and digital economy were discussed to be of immense importance. Regulation and legal frameworks are not strong at the moment and work needs to be done in this regard. Digital economy even lacks definition and we tend to mix up ICT, E-Commerce and E-Governance. Ownership and localisation of data are the ongoing debates.
- Technology transfer is an ongoing debate and international organisations have taken certain steps in this regard. However, it is equally important to safeguard the Southern innovation and Southern start-ups. Through merger and acquisitions, the Southern innovation and start-ups are lost to Northern multinational giants.
- The four sub-themes of BAPA were identified as:
 - Comparative Advantages and Opportunities of SSC;
 - Challenges and Remedies towards creation of SS institutions;
 - Sharing of Success Stories and Good Practices of SSC; and
 - Scaling up of Means of Implementation.

Recent Happenings in Development Cooperation

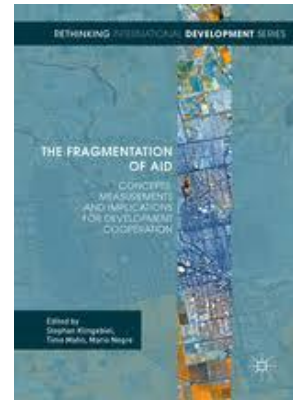
USD 1 Billion Equity Fund for Africa from the South

The African Export-Import Bank (Afreximbank), the Finance Center for South-South Cooperation (FCSSC) and the Made-in-Africa Initiative (MIAI) have announced a joint effort to mobilise \$1 billion in equity fund to channel foreign direct investment from developing (South) economies towards Africa's industrialization and integration into global value chains. The framework agreement executed by the three organisations in Beijing recently, mark the establishment of a strategic partnership among the institutions aimed at leveraging diversified financial instruments and resources to boost Africa's industrialization and expand China-Africa economic and commercial cooperation. The objective of the arrangement is to develop a common investment platform anchored on Afreximbank in order to reduce investment risks and better support Africa's industrialization and dynamic development. The platform is expected to attract investment capital from the public and private sectors and to facilitate the flow of foreign direct investment from China and other South economies into manufacturing and other value-added activities in Africa.

Source: Afreximbank Partners FCSSC, MIAI for \$1 billion fund to Support Industrialization, Boost Africa-South Cooperation, May 29, 2018

Book Review

The Fragmentation of Aid: Concepts, Measurements and Implications for Development Cooperation



Publisher: Palgrave Macmillan, 2016, Pg. 359

Editors: Stephan Klingebiel, Timo Mahn and Mario Negre

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A new solution to this problem is being proposed in terms of creating a new coordination mechanism at a unified level that encompasses both the groups of actors located at opposite poles in the continuum of “development”. Do we have to look for another new and effective mechanism for coordination two decades down the line to solve another round of realized coordination failure?

The fragmentation of aid has emerged as an issue of considerable concern in the literature on development cooperation today. The phenomenon has often been attributed to multiplication of actors entering the field of international cooperation and thereby affecting “goals, modalities and instruments as well as the numerous operational and non-operational activities”. The edited volume under review offers multiple perspectives on fragmentation and tries to delineate the different challenges posed by such a phenomenon. The volume –outcome of an academic conference organized by the German Development Institute/ Deutsches Institut für Entwicklungspolitik (DIE) in 2013 – is, beyond any doubt, a welcome effort at flagging the multiple approaches to management of international cooperation and the consequent fragmentations both from critical and sympathetic perspectives.

Those critical of fragmentation consider pluralism as an impending factor affecting aid effectiveness – an issue being persistently raised ever since the Paris Declaration on Aid Effectiveness in 2005 and reiterated in Accra (2008) and Busan (2011). An antidote proposed to minimize fragmentation through “harmonization” so that “Donor countries coordinate, simplify procedures and share information to avoid duplication” was identified with such desired effects. The felt need for developing a uniform data dissemination framework that captures the minute details of flow of resources into a recipient country – disaggregated at levels of modalities, sectors and

purposes – is being articulated incessantly to ensure harmonization of international countries across the participants in the process. Needless to mention, these concerns emerged out of the members of the Development Assistance Committee (DAC). DAC has been championing the cause for developing a uniform framework for quite some time. Incidentally, most of the donors prominently involved in development cooperation till the early 2000s subscribed to the standard definition of Official Development Assistance (ODA) and voted in favour of harmonization.

The situation changed abruptly with the visibly prominent engagement of some non-DAC countries as contributors to the flow of development assistance across the globe. Incidentally, a good number of them declined to adapt the DAC protocols on development assistance and refrained from identifying their support to others as aid. They, rather, identified some non-negotiable principles that distinguish their philosophy of development cooperation altogether from the principles adapted by DAC. Such an approach – popularly known as South-South Cooperation (SSC) – emphasized on a demand driven and horizontal approach to cooperation aimed at mutual benefit accruing to all the partners engaged in a particular collective effort in development cooperation sans any conditionality. In terms of quantitative measure, level of their development support appears insignificant still today. However, it is realized that such efforts at support have been much more effective in qualitative terms.

It needs to be added that a good number of emerging countries engaged in providing development assistance also preferred to side with the DAC protocols and called for a uniform framework of

data dissemination that would capture the flow of development assistance from the emerging economies as well. Constitution of GPEDC as an outcome of the Busan conference and their ongoing efforts at developing a one-size-fits-all monitoring framework to monitor the effectiveness of development assistance flows from different countries irrespective of their expressed differences in philosophical perspectives, has enhanced the debates around harmonization and fragmentation.

As already argued a good number of the newly emerging countries who engaged themselves in SSC do not subscribe to the DAC protocols and consequently, do not subscribe to the need for harmonization and avoidance of fragmentation. In a pluralistic pursuit, they argue in favour of encouraging multiple approaches to cooperation that facilitate enhance the choice set of desired support for such countries in need of help. Obviously, such a belief shoots down the call for a uniform monitoring and data dissemination framework. Fragmentation that encourages plurality, is not a concern for them, rather is considered an advantage, to realize an inclusive global architecture for development cooperation.

This edited volume is a timely contribution to the present day debate on aid fragmentation and will raise a number of policy issues for further articulation besides providing considerable food for thought to practitioners engaged in development assistance to find their ways out of the confusing maze. However, two issues remain untouched. The first one is about the coverage of experiences in development assistance. The volume allocates disproportionately larger space to the issue of fragmentation from the perspective of the traditional donors, with

the experiences of the non-traditional bilateral, private and philanthropic actors being given very scanty attention. As already noted in the beginning, fragmentation as a consequence of plurality in approach, philosophy and is often argued in favour to encourage multiple approaches to cooperation that facilitate enhance the choice set of desired support for such countries in need of help. Obviously, such a belief shoots down the call for a uniform monitoring and data dissemination framework. Fragmentation that encourages plurality, is not a concern for them, rather is considered an advantage, to realize an inclusive global architecture for development cooperation. Some efforts at examining these arguments would have added immensely to the credibility of this collection.

The second issue is conceptual. Development, or lack of it, is often associated with domestic coordination failure in efficient allocation of available

resources. Failure to organize relevant institutional structure that could have ensured allocative efficiency is identified as the devil of the piece. International development assistance through DAC was conceptualized as a means to provide necessary support in bringing in the required institutional rigour to the developing nations and facilitate their “development”. The issue of fragmentation highlights that such an effort is also manifested with coordination failure at another level – those of the donors who intend to reduce the developmental gaps. A new solution to this problem is being proposed in terms of creating a new coordination mechanism at a unified level that encompasses both the groups of actors located at opposite poles in the continuum of “development”. Do we have to look for another new and effective mechanism for coordination two decades down the line to solve another round of realized coordination failure?

Recent Happenings in Development Cooperation

PALM-Japanese Meet

Pacific Islands Forum Leaders and the prime minister of Japan, Shinzo Abe committed to stronger action on climate change and the sustainable management of fisheries resources at the Eighth Pacific Islands Leaders Meeting (PALM 8). Pacific Island Forum leaders and Japanese PM Shinzo Abe committed to strengthening efforts to address the effects of climate change, given the existential threat it poses to Forum Island Countries and the region. They emphasised the need to step up leadership roles in international negotiations, to finalise the implementation guidelines of the Paris Agreement, and increase levels of climate finance commensurate with the needs of FICs. They emphasised zone based management as critical to the future sustainability of our shared fisheries resource. Forum leaders welcomed Japan’s commitment to strong development cooperation and people to people exchanges of 5,000 people over the next three years.

India-Ghana Developmental Partnership



*H.E. Birender
Singh Yadav**

Bilateral cooperation between India and Ghana is multi-faceted and vibrant. Trade and investments have grown considerably over the past five years making India one of the top trade and investment partners of Ghana.

2017 was a special year in India-Ghana relations as it marked 60 years of establishment of formal diplomatic ties between the two nations. India had opened its first Consulate office in Ghana in 1953 and was among the first countries to open a diplomatic mission when Ghana became independent in 1957. Mahatma Gandhi had said “Independence of British empire’s most prized possession, India, would unleash a fire for freedom in the countries of middle –east and Africa” and India stood as solidly behind the anti-imperialism in Africa and extended support to freedom movements shaping up in African countries. India steadfast support for Africa’s freedom was acknowledged by great son of Africa Nelson Mandela who had said “India came to our aid when the rest of the world stood by or gave succour to our oppressors. When the doors of international Councils were closed to us, India opened the way. You took up our battles, as if they were your own.”

It is against this background that India and Ghana bilateral relations have grown from strength to strength. Apart from the common history of colonialism, the two nations shared a unified vision for shaping a world free of conflict, a world more equitable and peaceful, away from the pulls of the power blocs and founded the NAM. Since those early days, bilateral relations between Ghana and India have grown from strength to strength. As two peace-loving, diverse, democratic and emerging nations, the complementarities between the two countries obviously make them natural partners. India continues to engage significantly with Ghana under the South-South cooperation rubric and has extended support in Ghana’s journey of economic development and growth through our concessional lines of credit, Buyer’s Credit and Grant assistance.

Developmental Partnership forms an important component of India’s engagement with Ghana. India’s development partnership is based on the priorities identified by the people and Government of Ghana and has already crossed half a billion US dollar mark.

* High Commissioner of India to Ghana.

Bilateral cooperation between India and Ghana is multi-faceted and vibrant. Trade and investments have grown considerably over the past five years making India one of the top trade and investment partners of Ghana. The bilateral trade, which had reached US \$ 3.6 billion in 2016, decreased to US \$ 2.6 billion in 2017. The figures for first half 2017-18 stands at US \$ 1.7 billion. According to the Ghana Investment Promotion Centre (GIPC), Indian companies have invested in 602 projects with total investment of US\$ 998 million between September 1994 and September 2014 making India the second largest foreign investor country in Ghana in terms of number of projects and 9th in terms of value of FDI. In 2015, Indian investments were to the tune of US\$ 40.32 million in 13 projects. In the first quarter of 2017, registered Indian projects numbered 9 with an FDI value of over US \$ 400 million. Indian investments cover sectors including construction, manufacturing, trading, pharmaceuticals, agro-processing, services and tourism etc.

A number of Indian companies have presence in Ghana including Airtel, Shapoorji & Pollonji, Tata Ghana Limited, Ashok Leyland, Mahindra & Mahindra, Bank of Baroda etc. Several big local businesses are also either Indian investments or under Indian management like the retail chain Melcom, Mohinani Group, B5Plus, IPMC, Sethi Steels, Tema Steel, Diamond Cement, Fabrimetal, Delta Fisheries, Arima Farms, Alpha Power Meters Limited, Pharmanova, M&G Pharmaceuticals, Abellon Clean energy, etc.

Development Partnership

Ever since Ghana's independence, India

has been extending assistance to Ghana. In early years, it was mainly in the field of capacity building through our ITEC programme and deputation of experts. In the eighties, Rs. 100 million credit was extended with Rs. 50 million for rural electrification and Rs. 50 million for agriculture, irrigation and small scale industries. EXIM Bank had also extended suppliers credit in the eighties under which more than 1000 Tata buses, 600 Punjab Tractors, \$ 4 million BEML mining equipment and HMT equipment for an engineering workshop were provided.

Ghana was included as one of the nine West African countries under the GOI's TEAM 9 initiative launched in 2004. Projects under Lines of Credit have tremendous socio-economic impact and also enable transfer of technology apart from creating jobs and skilled manpower. So far, Government of India has extended Lines of Credit amounting to about US\$ 230 million to Government of Ghana for developmental projects in various areas such as rural electrification, waste management, agro-processing, power transmission, supply of railway equipment, construction of iconic buildings, fish processing etc. Iconic Presidential complex (Flagstaff House), is an example of successful developmental partnership. The rural electrification project has significantly increased access to electricity in rural areas of Ghana.

Two projects under EXIM Bank of India Line of Credit were successfully commissioned in 2016. Komenda Sugar Plant commissioned on 30 May 2016 is expected to provide 400 direct jobs and help about 2000 outgrower farmers. The revival of the sugar plant would drastically reduce the imports of sugar by Ghana. Line of Credit of US\$ 24.54 million

for sugarcane cultivation and irrigation development project was signed on 22 November and the process of preparation of fresh detailed project report (DPR) is currently under consideration of Ghana. Similarly, Elmina Fish processing plant, commissioned in November 2016, has the potential to transform the lives of ordinary fisher-folk and also add value to fish processing business in Ghana.

Government of Ghana signed a Buyers' Credit agreement with Exim Bank of India for US \$ 398.33 million for the Tema-Akosombo railway line on 22 November 2016. The Tema Akosombo railway line, covering 84 kms will expedite movement of goods from Tema Port which would further improve vessel turnaround. It seeks to redress the imbalance in transport modes between the south and northern part of the country. It would open up the lake for transportation of containerized cargo from the Northern region to the Tema port and further integrate transport networks with the landlocked countries in the North.

A Line of Credit facility through EBID for supply of 104 fire tenders to Ghana National Fire Services was also completed on 3rd December 2016. Similarly, 50% of US\$ 30 million credit facility through EBID has been disbursed for Self Help electrification in the Ashanti and Brong Ahafo regions of Ghana.

The two agreed upon concessional line of credit projects namely US\$ 150 million agricultural mechanization and US\$ 30 million Yendi water supply are awaiting necessary approvals from the government of Ghana.

Apart from concessional Lines of Credit, Indian grant assistance has achieved excellent results. The India Ghana Kofi Annan Center for Excellence

in ICT, a premier institution in the region set up with modest grant assistance from India has delivered excellent outcome with over 20,000 students from Ghana and the neighbouring countries benefiting through training since it was set up in 2003.

Impressed with the results delivered by this modest assistance, Hon'ble President of India visited the center in 2016 and announced a further grant assistance of US \$ 1 million to the Institute. The India Ghana Kofi Annan Center for Excellence in ICT represents one of the outstanding outcomes of successful bilateral cooperation as the Institute has not only obtained state of art technology and training but is also able to contribute to human resource development by training the youth in ICT programmes that are in demand in the market. According to the former Director General of the Institute, the students passing out of the Institute do not face any problems in finding a job as they are market ready and the skills they possess are in high demand in the industry.

A tomato pilot research project in Ghana under India's grant assistance of US \$ 2.088 million was successfully jointly implemented by the National Research Development Corporation (NRDC) India and Council for Scientific and Industrial Research (CSIR) Ghana. The outcome of the joint research has been a hybrid seed variety which is pest resistant, has more pulp, more yield and shelf life. The improved seed variety has the potential to transform tomato farming in Ghana.

India's developmental assistance is project oriented and is not in form of budgetary support. Thus, the project supported through concessional lines of credit are the ones identified by the Government of Ghana as part of their

strategic national development strategy and are helpful as these essential projects could not have been financed through domestic financial arrangements or budgetary support. These projects have made substantial contribution in

diverse areas such as electrification, power transmission, agriculture etc. but more importantly have provided Indian companies to establish their reputation and gain foothold in the fast growing Ghanaian economy.

Upcoming Events of Interest

Regional Consultation on South-South Cooperation for Asia and the Pacific: Towards the Buenos Aires Plan of Action 40th Anniversary

The United Nations Office for South-South Cooperation (UNOSSC), the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and the Royal Thai Government (Ministry of Foreign Affairs) are convening a regional consultative meeting in preparation for the Second High-level United Nations Conference on South-South Cooperation on 28-29 June 2018 at the United Nations Conference Centre (UNCC) in Bangkok, Thailand. The Conference will also identify new opportunities that South-South and triangular cooperation present and the solutions to address sustainable development challenges, including South-South and triangular cooperation as enablers for the implementation of the 2030 Agenda and the Sustainable Development Goals (SDGs). The Conference is also expected to respond to the needs and challenges faced by the practitioners of South-South and triangular cooperation and to generate innovative approaches of South-South and triangular cooperation.

The themes and issues to be discussed at the Regional Consultation include the following:

1. Trends and diversity of the South-South cooperation landscape in Asia-Pacific – turning challenges into opportunities
2. Institutional arrangements and management of South-South and triangular cooperation – experience and good practice
3. Modalities to strengthen regional and sub-regional cooperation through South-South and triangular cooperation for sustainable development
4. Roles of the United Nations Development System and other stakeholders including the civil society organizations and the private sector
5. Alternative approaches to sustainable development.

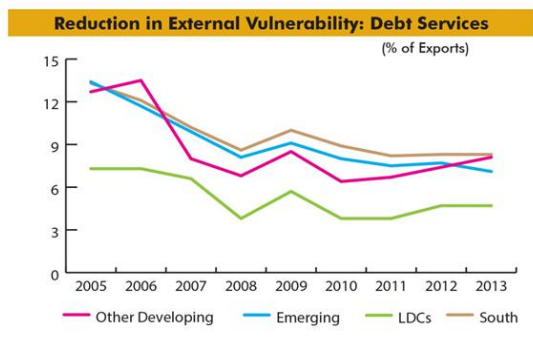
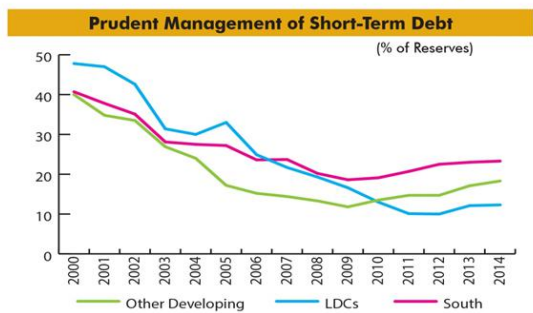
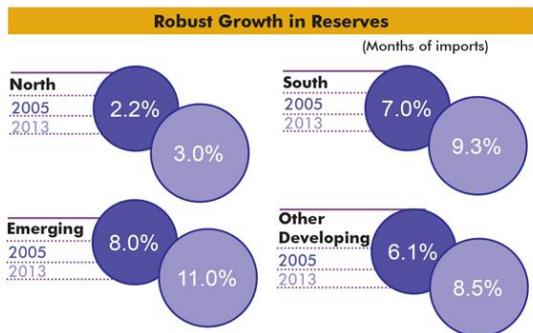
SSC in Statistics

Financial Resilience in the South*



Financial resilience has returned to the South after decades of fragility and crises. Countries in the South are more resilient now compared to the 1990s and 2000s. Reserve holdings are adequate to cover imports and balance of payment fluctuations. Over the period 2005-13, reserve stock has improved by 242 per cent, 197 per cent and 301 per cent for the emerging markets, developing economies and the LDCs respectively. Higher import cover shows enhanced preparedness of the Southern countries to withstand any distortions in trade-related external imbalances. There has been remarkable achievement on the debt front. Overall debt servicing capacity improved considerably for the South as a whole and for the emerging markets, other developing countries and LDCs.

Short-term debt, the most contagious component of external vulnerability, is within the manageable proportions. Although the volume of short term debt increased after the global recession during 2007-09, the historical trends demonstrate greater resilience in the South in the recent years. Gradual lowering of interest payments burden further contributes to the strength of the Southern economies in mitigating the external vulnerabilities. The bilateral currency swap arrangement contributes to import payments in local currencies and preventing the parties from liquidity shocks.



* Resurging South Stylized Facts, (2016): Prepared by RIS Team

Call for Contributions

We invite contributions from interested readers on issues related to development cooperation in general and South-South Cooperation in particular. Contributions may also capture theory, practice and associated debates on development cooperation. Reviews of latest publications - books, monographs, reports - are also welcome. Any institutional upcoming events on development cooperation may also be captured in DCR. The contributions should be restricted to not more than 1500 words.

For editorial information, contributions, feedback and comments: mail to milindo.chakrabarti@ris.org.in and dgoffice@ris.org.in


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About Research and Information System for Developing Countries (RIS)

RIS is a New Delhi-based autonomous policy research institute that specialises in issues related to international economic development, trade, investment and technology. RIS is envisioned as a forum for fostering effective policy dialogue and capacity-building among developing countries on global and regional economic issues. The focus of the work programme of RIS is to promote South-South Cooperation and collaborate with developing countries in multilateral negotiations in various forums. RIS is engaged across inter-governmental processes of several regional economic cooperation initiatives. Through its intensive network of think tanks, RIS seeks to strengthen policy coherence on international economic issues and the development partnership canvas. @RIS_NewDelhi

About Network of Southern Think Tanks (NeST)

NeST was established on the sidelines of the first high-level meeting (HLM) of the Global Partnership for Effective Development Cooperation (GPEDC) in Mexico in April 2014, and as a follow-up to the Conference of Southern Providers held in Delhi in April 2013. The network has committed itself to 'generating, systematising, consolidating and sharing knowledge on South-South co-operation (SSC) approaches to international development'. A collaborative initiative for the South by the South, NeST is primarily a think tank and academic forum that provides policy inputs into the arena of SSC. NeST welcomes inputs from a diversity of Southern stakeholders, through the open engagement of governments, civil society organisations (CSOs), private sector institutions and various Southern practitioners, to contribute towards creating a unified understanding and framework for debates around SSC. @NeST_SSC

About Forum for Indian Development Cooperation (FIDC)

FIDC aims to encourage detailed analysis of broad trends in South-South cooperation and contextualise Indian policies by facilitating discussions across various subject streams and stakeholders based on theoretical and empirical analysis, field work, perception surveys and capacity building needs. At the domestic level, the FIDC has worked towards raising the awareness about various dimensions of the development cooperation policies through seminars, discussion meetings and publications and focused on sectoral analysis in the areas of agriculture, health, education, human resource development, infrastructure projects, environment and other social areas including gender and humanitarian assistance. @FIDC_NewDelhi

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विकासशील देशों की अनुसंधान एवं सूचना प्रणाली

Core IV-B, Fourth Floor, India Habitat Centre
Lodhi Road, New Delhi-110 003, India.

Ph. 91-11-24682177-80 Fax: 91-11-24682173-74-75

Email: dgoffice@ris.org.in Website: www.ris.org.in

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