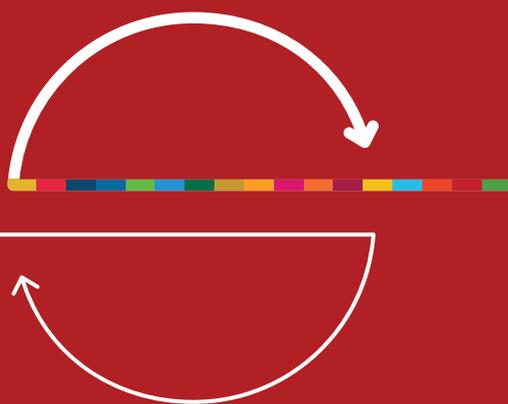


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2018

**THIRTY-SEVENTH
SESSION OF ECLAC**

*Havana
7-11 May*

**REPORT ON THE SOUTH-SOUTH COOPERATION ACTIVITIES
CARRIED OUT SINCE THE THIRTY-SIXTH
SESSION OF ECLAC**

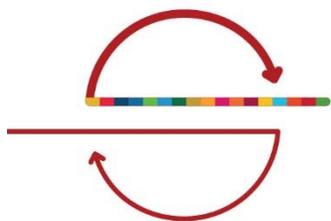
Note by the secretariat



UNITED NATIONS

ECLAC





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Thirty-seventh session of the Economic Commission
for Latin America and the Caribbean

Havana, 7-11 May 2018

REPORT ON THE SOUTH-SOUTH COOPERATION ACTIVITIES CARRIED OUT SINCE THE THIRTY-SIXTH SESSION OF ECLAC

Note by the secretariat



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INTRODUCTION

This report details the activities carried out from May 2016 to April 2018, that is, the period since the thirty-sixth session of the Economic Commission for Latin America and the Caribbean (ECLAC).

At its meeting held within the framework of the thirty-sixth session of ECLAC, held in Mexico City in May 2016, the Committee on South-South Cooperation elected the following Presiding Officers: Mexico (Chair); Argentina, Brazil, Chile, Cuba, the Dominican Republic and Jamaica (Vice-Chairs). As agreed at the fifth meeting of the Presiding Officers of the Committee on South-South Cooperation, held in January 2017, El Salvador and Honduras began serving as Presiding Officers.

Three meetings of the Presiding Officers of the Committee on South-South Cooperation took place over the period:

The fifth meeting of the Presiding Officers of the Committee on South-South Cooperation was held in Santo Domingo on 11 January 2017 with the aim of following up on the South-South cooperation activities carried out since the thirty-sixth session of ECLAC, and beginning to reflect on the sharing of experiences in the implementation of the 2030 Agenda for Sustainable Development.

The sixth meeting of the Presiding Officers of the Committee on South-South Cooperation was held in Mexico City on 25 April 2017 to advance discussions on the role of South-South and triangular cooperation in the implementation of the 2030 Agenda and the Sustainable Development Goals.

The seventh meeting of the Presiding Officers of the Committee on South-South Cooperation was held in Santiago on 17 April 2018 with the aim of presenting for discussion the project to establish a network for the implementation of the 2030 Agenda and the follow-up of the Sustainable Development Goals in Latin America and the Caribbean. Information was also provided on the meeting of the Committee on South-South Cooperation to be held within the framework of the thirty-seventh session of ECLAC and on the Second High-level United Nations Conference on South-South Cooperation (Buenos Aires, March 2019). The secretariat also reported on the activities carried out in fulfilment of the mandates established pursuant to resolution 709(XXXVI).

I. MANDATES ESTABLISHED PURSUANT TO RESOLUTION 709(XXXVI) OF ECLAC

Pursuant to resolution 709(XXXVI), the Economic Commission for Latin America and the Caribbean, having reviewed the document *Proposed action lines of the Committee on South-South Cooperation for the period 2016-2018. Note by the secretariat*,¹ established the following mandates to guide the work of the Presiding Officers during the period:

Calls upon the secretariat, under the leadership of the Presiding Officers of the Committee on South-South Cooperation and in cooperation with the Statistical Conference of the Americas of the Economic Commission for Latin America and the Caribbean, to sustain efforts for the design of methodologies to measure South-South cooperation in Latin America and the Caribbean through a system of satellite accounts, and for the follow-up and evaluation of South-South cooperation programmes and projects;

¹ LC/G.2671(SES.36/14).

Invites the countries to participate, with the support of the secretariat, in the calculation of structural gaps, as a valuable tool for helping to measure and visualize development levels in each country beyond per capita income;

Adopts the action lines of the Committee on South-South Cooperation for the period 2016-2018, namely, to share experiences on implementing the 2030 Agenda, to promote multi-stakeholder partnerships for South-South cooperation, and to share experiences of and best practices for South-South cooperation methodologies and metrics;

Requests the Committee on South-South Cooperation, in its capacity as a subsidiary body of the Commission, to report to the Forum of the Countries of Latin America and the Caribbean on Sustainable Development on its contribution to the implementation of the 2030 Agenda for Sustainable Development;

Also requests the Executive Secretary to report on the fulfilment of this resolution at the meeting of the Committee on South-South Cooperation to be held in the framework of the thirty-seventh session of the Commission.

II. FULFILMENT OF THE MANDATES OF THE COMMITTEE ON SOUTH-SOUTH COOPERATION ESTABLISHED PURSUANT TO RESOLUTION 709(XXXVI) OF ECLAC

At the seventh meeting of the Presiding Officers of the Committee on South-South Cooperation, the secretariat reported on the activities carried out in fulfilment of the mandates established pursuant to resolution 709(XXXVI), as summarized in the sections below.

A. DESIGN OF METHODOLOGIES TO MEASURE SOUTH-SOUTH COOPERATION IN LATIN AMERICA AND THE CARIBBEAN THROUGH A SYSTEM OF SATELLITE ACCOUNTS AND FOR THE FOLLOW-UP AND EVALUATION OF SOUTH-SOUTH COOPERATION PROGRAMMES AND PROJECTS

1. System of satellite accounts

The proposal explains that satellite accounts revolve around the central national accounting framework and describe in detail the structure and behaviour of certain areas or specific socioeconomic fields, allowing new, more appropriate aggregates and indicators to be built and used.

Using satellite accounts in the field of cooperation was based on three balance-of-payments items related to South-South cooperation activities: current international cooperation, current transfers and capital transfers.

Satellite accounts would raise the profile of South-South cooperation and allow the weight of cooperation in national economies to be quantified, its different forms to be identified and simulations to be carried out.

The proposal for measuring South-South cooperation in Latin America and the Caribbean through a system of satellite accounts was presented on 8 November 2016 at the Seminar on National Accounts in Latin America and the Caribbean: Regional implementation of the system of national accounts and its relationship with other systems, which was held at ECLAC headquarters in Santiago.

The presentation was followed by questions and comments for the improvement of the proposal.

2. Follow-up and evaluation of South-South cooperation programmes and projects

Measuring South-South cooperation in Latin America and the Caribbean through the monitoring and evaluation of South-South cooperation programmes and projects is a complementary, rather than exclusive, proposal based on an analysis of processes as well as impacts since it takes time for the outcomes of programmes and projects to become apparent.

Under the proposal, follow-up efforts should go beyond monitoring budget implementation, as it calls for institutions to measure cooperation and for the formulation of a consensual plan with common criteria and reasonable deadlines. Furthermore, a specific model should be designed for each project, which would allow for statistically controllable intervening variables to be included, using quasi-experimental models.

No countries have made progress in this area in 2016-2018.

B. PROGRESS REPORT ON THE PROCESS OF CALCULATING STRUCTURAL GAPS BY THE FINANCING FOR DEVELOPMENT UNIT OF THE ECONOMIC DEVELOPMENT DIVISION OF ECLAC

To date, three countries have requested assistance in applying the structural gap approach: Costa Rica (2013), Guatemala (2014) and El Salvador (2015).

Work on structural gaps in Costa Rica began in February 2014 and concluded in April 2016. The outcome document entitled *El enfoque de brechas estructurales: análisis del caso de Costa Rica*,² which provided details of this initiative, was published in November 2016.

Work on structural development gaps in Guatemala began in late 2014 upon the request of that country, with a presentation of the project by ECLAC and training of an inter-agency task force by Guatemala. The initiative with Guatemala followed the same format as that with Costa Rica. In the first half of 2015, two workshops were held and analytical work began on the country's priority structural gaps: poverty, taxation, education, health and inequality (from the perspective of gender and ethnicity). The initiative was interrupted by elections in 2015.

Costa Rica has made the most progress in this process. The country-led effort was coordinated by Costa Rican institutions, which were responsible for identifying gaps, with technical support from ECLAC. This initial exercise constituted the pilot test for applying the methodology.

² LC/L.4265.

Collaboration between ECLAC and Costa Rica in this area began in June 2013. Towards the end of the same year, Costa Rica created an inter-agency task force to cover the range of structural gaps.

As part of the process, three technical meetings or training workshops were held in San José, from 26-26 February 2014, 16-17 September 2014 and from 30 March to 1 April 2016. The programmes included the presentation and discussion of the ECLAC methodology used to calculate structural gaps and the assessment of structural gaps as a diagnostic and planning instrument. They also addressed the implementation of this methodology in Costa Rica, the identification and analysis of structural gaps and the preparation of the previously mentioned outcome document. The document, which presents the outcomes of the implementation of the structural gap approach in that country, represented a joint effort between ECLAC and Costa Rica's Ministry of National Planning and Economic Policy (MIDEPLAN) and Ministry of Foreign Affairs and Worship.

The structural gap approach calls for the evaluation of development needs and deficiencies which are not represented by the per capita income indicator and which reflect other types of gap to be clearly incorporated into the cooperation for development agenda. It sheds light on areas of public policy requiring attention and serves as a guide for the channelling of international cooperation system resources. It also allows middle-income countries to negotiate more effectively with respect to cooperation for development and to design suitable policies to address their priority structural gaps.

The structural gap assessment identifies, quantifies and prioritizes these gaps at the country level. Generally, this method seeks to identify the biggest bottlenecks restricting a country's development, on the basis of an analysis of the different dimensions of each gap and its main determinants. The structural gap assessment is broadly made up of five analytical phases. The first phase involves the preselection of gaps to limit and focus the analysis on those most relevant to the country, *ex ante*. The next three phases are the analysis of assessment itself, including from the design of a decision tree for each gap and the selection of suitable indicators for the determinants, to the assessment focused on identifying constraints. The final phase is the collection of the analysis results and formulation of policy strategies to overcome constraints and close the priority structural gaps.

The process in Costa Rica revealed various vertical gaps (inequality and poverty, education, productivity and innovation, infrastructure and tax) and a cross-cutting gap (gender).

C. ACTION LINES OF THE COMMITTEE ON SOUTH-SOUTH COOPERATION FOR THE PERIOD 2016-2018

In the period, progress was made in the sharing of experiences in implementing the 2030 Agenda for Sustainable Development, the promotion of multi-stakeholder partnerships for South-South cooperation, and the sharing of experiences of and best practices for South-South cooperation methodologies and metrics.

**D. REPORT TO THE FORUM OF THE COUNTRIES OF LATIN AMERICA
AND THE CARIBBEAN ON SUSTAINABLE DEVELOPMENT ON THE
CONTRIBUTION TO THE IMPLEMENTATION OF THE
2030 AGENDA FOR SUSTAINABLE DEVELOPMENT**

The Committee on South-South Cooperation reported on its contribution to the implementation of the 2030 Agenda for Sustainable Development at the first meeting of the Forum of the Countries of Latin America and the Caribbean on Sustainable Development, which was held in Mexico City in April 2017, and at the second meeting of the Forum, held in Santiago in April 2018.

Observations included that: South-South cooperation had gained in stature worldwide in recent years as a modality for sharing knowledge and successful development solutions.

Implementing the 2030 Agenda still entailed certain challenges. Donor countries had yet to fulfil their voluntary commitments and, in any case, these resources were clearly insufficient to cover all the requirements for the implementation of the Agenda. It was thus increasingly important to find ways to make better use of traditional resources of South-South and triangular cooperation in order to promote, support and complement other flows earmarked for development financing, such as those resulting from efforts to strengthen tax collection, improve spending, use multidimensional approaches to plan poverty reduction policies, and execute upgrading projects in agriculture, fishing and industry.

It had also been shown that South-South cooperation was fundamental to the implementation of the Goals of the 2030 Agenda, as it could promote innovative cooperation mechanisms to address the most recent development challenges in areas such as knowledge exchange, economic development, infrastructure, technology, capacity-building, food security, the reduction of poverty and inequality, environmental sustainability and preferential access to specific markets. In recent years, South-South cooperation had also driven integration through multiple actions in the region, which, far from faltering in times of crisis and international uncertainty, had in fact intensified.

Knowledge transfer and effective experience-sharing also reinforced capacity-building at the regional, national and local levels.

**III. FIFTH MEETING OF THE PRESIDING OFFICERS OF THE COMMITTEE
ON SOUTH-SOUTH COOPERATION**

Santo Domingo, 11 January 2017

At the fifth meeting of the Presiding Officers of the Committee on South-South Cooperation, a report was presented on the follow-up of South-South cooperation activities carried out since the thirty-sixth session of the Economic Commission for Latin America and the Caribbean (ECLAC), and there was a discussion on the sharing of experiences on implementing the 2030 Agenda for Sustainable Development, the promotion of multi-stakeholder partnerships for South-South cooperation, and the sharing of experiences of and best practices for South-South cooperation methodologies and metrics.

The Presiding Officers of the Committee on South-South Cooperation adopted the following agreements:

Accept El Salvador and Honduras as Presiding Officers of the Committee on South-South Cooperation of ECLAC;

Request that, based on the inputs received from the countries of Latin America and the Caribbean, ECLAC prepare a report of the Committee on South-South Cooperation to submit to the first meeting of the Forum of the Countries of Latin America and the Caribbean on Sustainable Development;

Consider, at the sixth meeting of the Presiding Officers of the Committee on South-South Cooperation—to be held in the framework of the first meeting of the Forum of the Countries of Latin America and the Caribbean on Sustainable Development—the report to be submitted by the Committee on South-South Cooperation to the Forum;

Open up participation in the sixth meeting of the Presiding Officers of the Committee on South-South Cooperation to multiple stakeholders from the private sector, civil society, foundations and academia, as well representatives of parliaments and local governments, among others, with a view to maintaining a dialogue that would contribute to regional decision-making focused on improving South-South cooperation;

Incorporate the outcome of the discussions of the Presiding Officers of the Committee on South-South Cooperation with other stakeholders into the report that that Committee will submit to the first meeting of the Forum of the Countries of Latin America and the Caribbean on Sustainable Development.

IV. SIXTH MEETING OF THE PRESIDING OFFICERS OF THE COMMITTEE ON SOUTH-SOUTH COOPERATION

Mexico City, 25 April 2017

The sixth meeting of the Presiding Officers of the Committee on South-South Cooperation was held to advance discussions on the role of South-South and triangular cooperation in the implementation of the 2030 Agenda and the Sustainable Development Goals. Participants in the meeting included multiple stakeholders, for example representatives of countries, of the United Nations system, and of intergovernmental and other organizations.

The Presiding Officers of the Committee on South-South Cooperation adopted the following agreements:

Reiterate the importance of South-South cooperation as an important means for the implementation of the 2030 Agenda for Sustainable Development and the need for donor countries to fulfil their commitments in terms of official development assistance;

Acknowledge the contributions of the various stakeholders taking part in South-South cooperation, especially civil society, and reiterate the need to continue fostering their participation in South-South and triangular cooperation projects;

Promote coordination between the different agencies and mechanisms working on South-South cooperation in the region, such as the Economic Commission for Latin America and the Caribbean, the Ibero-American General Secretariat, the Community of Latin American and Caribbean States and the United Nations Development Programme, among others, with the purpose of avoiding duplication of tasks and promoting synergies based on their comparative advantages and respective mandates;

Also promote the coordinated participation of the region's South-South cooperation mechanisms in global events in order to share the region's vision and promote a balanced view that includes the contributions of South-South cooperation to development, and to ensure the continuity of cooperation towards the region, including official development assistance;

Encourage the participation of agencies and mechanisms responsible for South-South cooperation in different forums such as the Economic and Social Council forum on financing for development follow-up and the high-level political forum on sustainable development;

Acknowledge the evolution of the sectoral composition of South-South and triangular cooperation, which has broadened beyond its traditionally important areas of capacity-building and institutional strengthening to other core sectors of the economy, such as agriculture, industry and infrastructure, and in this regard, draw attention to the growing importance of South-South cooperation in the fulfilment of Sustainable Development Goal 16 on peace, justice and solid institutions;

Urge the region's countries to actively take part in the 40-year review of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries (BAPA), to take place in the first half of 2019, and to seize the opportunity to promote a positive and balanced view of South-South and triangular cooperation;

Support the proposal set forth in the report prepared by the Inter-Agency Task Force on Financing for Development for every country to build the 2030 Agenda for Sustainable Development into their international cooperation strategy, and call upon the countries to reflect on ways in which to promote the 2030 Agenda through cooperation.

V. SEVENTH MEETING OF THE PRESIDING OFFICERS OF THE COMMITTEE ON SOUTH-SOUTH COOPERATION

Santiago, 17 April 2018

The seventh meeting of the Presiding Officers of the Committee on South-South Cooperation included a brief report by the Chair on South-South cooperation activities carried out since the thirty-sixth session of ECLAC and information on the meeting of the Committee on South-South Cooperation within the framework of the thirty-seventh session of the Economic Commission for Latin America and the Caribbean (Havana, May 2018) and on the Second High-level United Nations Conference on South-South Cooperation (Buenos Aires, March 2019).

There was also a presentation and discussion on the project to establish a network for the implementation of the 2030 Agenda and monitoring of the Sustainable Development Goals in Latin America and the Caribbean.

The Presiding Officers of the Committee on South-South Cooperation adopted the following agreements:

Reiterate the importance of South-South cooperation as an important means for the implementation of the 2030 Agenda for Sustainable Development;

Insist upon the need for donor countries to fulfil their commitments in terms of official development assistance;

Promote the coordinated participation of Latin American and Caribbean South-South cooperation mechanisms in global events in order to share the region's vision, promote a balanced approach that includes the contributions of South-South cooperation to development, and ensure the continuity of cooperation towards the region, including official development assistance;

Urge the region's countries to participate actively in the meeting of the Committee on South-South Cooperation to be held on 9 May 2018 in Havana, in the framework of the thirty-seventh session of the Economic Commission for Latin America and the Caribbean, and in the Second High-level United Nations Conference on South-South Cooperation, which will be held in Buenos Aires from 20 to 22 March 2019 on the occasion of the fortieth anniversary of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries, and to take the opportunity to promote a positive and balanced view of South-South and triangular cooperation;

Take note of the network project for the implementation of the 2030 Agenda and follow-up of the Sustainable Development Goals in Latin America and the Caribbean presented by the Chair of the Presiding Officers;

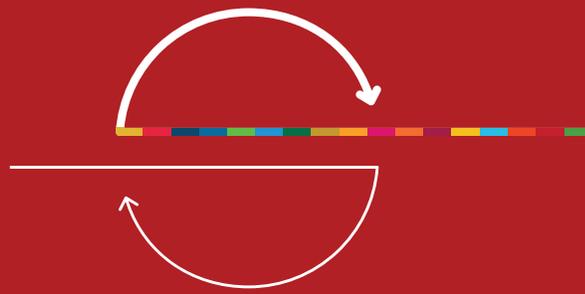
Ask the secretariat to submit the proposal to create a network for the implementation of the 2030 Agenda and follow-up to the Sustainable Development Goals in Latin America to the member countries of the Committee on South-South Cooperation for their consideration, in the framework of the thirty-seventh session of the Economic Commission for Latin America and the Caribbean;

Thank the Government of Mexico, in its capacity as Chair of the Presiding Officers, for its active Chairship and the progress made during the period 2016-2018.

Annex

LIST OF DOCUMENTS

- ECLAC, *El enfoque de brechas estructurales: análisis del caso de Costa Rica* (LC/L.4265), November 2016
- ECLAC, *Report of the fifth meeting of the Presiding Officers of the Committee on South-South Cooperation* (LC.MDSS.5/2), May 2017
- ECLAC, *Report of the sixth meeting of the Presiding Officers of the Committee on South-South Cooperation* (LC.MDSS.6/3), June 2017
- Agreements adopted at the seventh meeting of the Presiding Officers of the Committee on South-South Cooperation
- Development cooperation project: Network for the strengthening of national capacities for the implementation and monitoring of the 2030 Agenda for Sustainable Development in Latin America and the Caribbean. Note by the secretariat (LC/SES.37/15)



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