

The Committee of Permanent Representatives (CPR) to UNEP  
23 June 2015, 2:30 – 5:30 p.m.  
Conference Room 4, United Nations Office at Nairobi

## **Briefing on South-South Cooperation**

### **Introduction**

1. South-South Cooperation (SSC) is a broad framework for collaboration among countries of the South in the political, economic, social, cultural, environmental and technical domains. Involving two or more developing countries, it can take place on a bilateral, regional, subregional or interregional basis. Collaboration in which traditional funding partners and multilateral organizations facilitate South-South initiatives through the provision of funding, training, and management and technological transfer, as well as other forms of support that is referred to as Triangular Cooperation (TrC).
2. SSC is not a substitute for, but rather complements North-South Cooperation, which remains the primary form of cooperation between countries of the North and South. SSC also complements other regional and global processes by strengthening their effectiveness. SSC supports capacity-building and technology transfer in developing countries and countries with economies in transition through systematic partnership-building and the exchange of expertise, experiences, best practices and knowledge among experts and institutions of the South. SSC and TrC<sup>1</sup> have increased the diversity in opportunities for development assistance.
3. The increasing significance of SSC is reflected in the fact that the South has not only grown richer in individual financial strength but its collective impact on the global economy has also increased exponentially. To date, over US\$5 trillion reserves are held by developing economies, which also account for 47 per cent of global trade, with South-South flows making up about half of this total<sup>2</sup>. These trends show that there is demand and opportunity for UNEP to use the interest and momentum in SSC to the benefit of member states as well as fulfill the various UNEP mandates.
4. The UN Secretary-General report to the 62<sup>nd</sup> session of the General Assembly (A/62/295) in 2008, called on the international community, including the UN system, to help to scale up the impact of SSC by: (a) optimizing the use of South-South approaches in achieving the internationally agreed development goals, including the Millennium Development Goals (MDGs); (b) intensifying multilateral support for South-South initiatives to address common development challenges; (c) fostering inclusive partnerships for SSC, including triangular and public-private partnerships; (d) improving the coherence of United Nations system support for such cooperation; and (e) encouraging innovative financing for South-South and Triangular Cooperation.

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<sup>1</sup> Framework of operational guidelines on United Nations support to South-South and triangular cooperation SSC/17/3 (2012) Note by the Secretary-General, High-level Committee on South-South Cooperation Seventeenth session New York, May 2012. Based on Nairobi outcome document of the High-level United Nations Conference on South-South Cooperation 64/222 and the Framework of operational guidelines on United Nations support to South-South and triangular cooperation SSC/17/3.

5. The 64<sup>th</sup> session of the UNGA, held in December 2009, adopted resolution A/RES/64/222 that endorsed the Nairobi outcome document of the High-level United Nations Conference on South-South Cooperation. The Nairobi conference was held on the occasion of the thirtieth anniversary of the 1978 United Nations Conference on Technical Cooperation among Developing Countries, held in Buenos Aires, which produced the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries.
6. More recently, in the Rio+20 Conference outcome document, 'The Future We Want', Member States reiterated their support for SSC to provide additional resources for the implementation of development programmes that address the particular needs and expectations of developing countries. It was also recognized in the outcome document that "South-South Cooperation complements rather than substitutes North-South Cooperation". Furthermore, SSC has become a key component of the annual strategic priorities of the UN Development Group (UNDG) and is therefore actively promoted as one of the principal mechanisms for the delivery of development support at country level as per the 2013 quadrennial comprehensive policy review (QCPR). SSC is a central feature of UN operational activities for development and will continue in the future especially in the context of the post-2015 sustainable development agenda and SDGs<sup>3</sup>.
7. The 69<sup>th</sup> session of the UNGA, held in December 2014, adopted resolution A/RES/69/239 on SSC. The resolution, among others, encourages the funds, programmes, specialized agencies and other entities of the United Nations system to take further concrete measures, as appropriate, to effectively mainstream support to SSC in their policy and regular programming work, and in this context requests those organizations and the United Nations Office for South-South Cooperation (UNOSSC) to leverage each other's institutional and technical capacities. The resolution also reaffirmed the mandate of the UNOSSC<sup>4</sup>, and requested the Chair of the UNDG to establish a more formalized and strengthened interagency mechanism.
8. SSC has become an increasingly important part of UNEP's work. UNEP's engagement with SSC is anchored in the 2005 Bali Strategic Plan (BSP) on Technology Support and Capacity Building (UNEP/GC.23/6/Add.). SSC was recognized as a means of supporting capacity-building efforts in developing countries and countries with economies in transition through systematic partnership-building and the exchange of expertise, experiences, best practices and knowledge among experts and institutions of the South.
9. The then UNEP Governing Council also adopted two more decisions (GC24/12 of February 2007 and GC25/9 of February 2009) on SSC. The decisions emphasized the need to intensify multilateral support for South-South initiatives to tackle environmental challenges and not only highlighted the need for the coherent and coordinated implementation of SSC approaches across the Programme of Work (PoW), but also for UNEP to strengthen its "coordination mechanism and structure of SSC, including its regional presence, with a view to enhancing its role and function".

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<http://ssc.undp.org/content/dam/ssc/documents/Expo/2013/aidememoire/ENGLISH%20Aide%20Memoire.pdf>

<sup>4</sup> The United Nations Office for South-South Cooperation (UNOSSC)'s primary mandate is to promote, coordinate and support South-South and triangular cooperation on a global and United Nations system-wide basis. Formerly known as the Special Unit for South-South Cooperation, the United Nations Office for South-South Cooperation, hosted by the United Nations Development Programme (UNDP), was established in 1974 by the United Nations General Assembly as a result of Resolution 3251 (XXIX) and strengthened with the endorsement of the milestone Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries (Resolution 33/134).

10. Regional environment ministerial forums have also endorsed SSC as a mechanism for promoting regional cooperation for sustainable development:
- At the 14<sup>th</sup> Regular Session of the African Ministerial Conference on the Environment (AMCEN) held in Arusha, United Republic of Tanzania in September 2012, governments resolved to promote South-South Cooperation, including through regional and Africa-Brazil-China cooperation for sustainable development in Africa, and to effectively integrate the economic, environmental and social dimensions into local, national and regional development policies and strategies.
  - At the 19<sup>th</sup> Meeting of the Forum of Ministers of Latin America and the Caribbean held in Los Cabos, Mexico, in March 2014, the ministers agreed to promote South-South Cooperation to enhance the endogenous capacities of countries in the LAC region, promote a regional cooperation programme on climate change to enhance South-South and Triangular Cooperation in areas of interest to the region and prioritize South-South Cooperation activities with the Caribbean Small Island Developing States (SIDS).
11. The contributions of North-South, South-South, and Triangular Cooperation are important in the implementation of the Post 2015 Sustainable Development Agenda and Sustainable Development Goals. UNEP's work recognizes and reflects the growing significance of SSC in sustainable development. As such, UNEP's Medium Term Strategy for 2014–2017 indicates that it will refocus some of its support towards SSC, while recognizing its complementarity with traditional schemes of cooperation.

### **Current status**

At the strategic level, UNEP has undertaken the following actions to streamline SSC and TrC in the organization:

12. Funding has been increased by a number of funding partners including Member States and from within UNEP through the UNEP Partnership Development and South-South Cooperation Fund. The growing importance of SSC has elevated some Member States interest in supporting UNEP's engagement with SSC. For example:
- **Partnership Development Fund and South-South Cooperation:** One of the most recent moves aimed at bolstering UNEP's work in SSC has been the establishment, by the Executive Director, of a Partnership Development and South-South Cooperation Fund on a pilot basis in September 2014. UNEP established this fund with initial funding of US\$ 1 million from the Environment Fund activity budget to facilitate and support initiatives in the framework of existing projects that foster partnerships, including South-South cooperation to bring about additional measurable outcomes. The Fund is intended to support the development of sustainable and mutually beneficial strategic partnerships on the environment, with one or more external partners that have the capability of leveraging additional impact across a region or across the globe.
  - **UNEP-China Trust Fund for SSC:** China has funded projects in UNEP since 2008 under the UNEP China Africa Cooperation Agreement Framework. In the current "Framework Agreement on Strategic Cooperation between the Ministry of Environmental Protection of the People's Republic of China and UNEP", China has provided a total of US\$ 6 million for Capacity Building in developing countries to address environmental issues, increase awareness of environmental challenges and foster the exchange of ideas, technology, solutions and policies required to realize the potential for Inclusive Green Economy (iGE) using South-South cooperation. These funds have been disbursed in three tranches of US\$ 2 million annually for 2013, 2014 and

2015. By the end of 2014, 12 projects had been funded. Six SSC projects, funded from the 3rd Tranche are currently under review for implementation in 2015.

- **Brazil Trust Fund for SSC and support to the implementation of the broader SDG framework:** Brazil has provided US\$ 5.2 million to support the implementation of projects across four sub-programmes – Resource Efficiency, Environment Under review, Environmental Governance and Ecosystem Management, as well as the strengthening of UNEP’s presence and delivery in Brazil. The projects have been identified and are under review. Project funds are expected to be utilized by December 2017.
13. UNEP has set up internal processes and mechanisms that are aimed at ensuring coherence and a coordinated approach in the practice and implementation of SSC. These measures include:
- a. Establishment, in February 2015, of a UNEP **SSC Community of Practice** (SSC CoP) to bring together resource persons involved in SSC work and to help drive the SSC agenda in the organization, develop common definitions and play an advocacy role while sharing best practices and lessons learned to enrich the practice of SSC in the organization.
  - b. **Development of Criteria for SSC projects** in UNEP. The proposed SSC criteria will guide UNEP staff in developing and implementing SSC projects to ensure coherence and clarity on the SSC elements in the projects as well as harmonized approach to SSC project design. The proposed criteria were presented to the members of the SSC CoP and have subsequently been used to review projects with SSC components. The elements of the criteria are:
    - i. The project involves the following forms of **cooperation** among countries of the South:
      - Capacity building;
      - Knowledge/technology transfer;
      - Partners from the South;
    - ii. Project uses **knowledge/ technology** developed in the South or technology from the North adapted to the needs of the South.
    - iii. The project is **replicable**.
    - iv. The project is **scalable**.
    - v. The project is **bankable**.
    - vi. The project has linkages to the United Nations Development Assistance Framework (**UNDAF**) principles for implementation at country level.
    - vii. A South-South Cooperation **case study** is expected as an outcome.
14. Under the overall guidance of the UNOSSC and the UNDG, an Inter-Agency SSC Task Team has been established to map out the engagement of the UN-System with SSC under the Sustainable Development Working Group (SDWG). This Task Team will help inform how the UN system will tackle the issues of the Post-2015 Sustainable Development Agenda. UNEP has been playing an active role in order to promote interlinkages with the rest of the UN system while monitoring and following-up on strategic and political issues related to SSC, in order to ensure that SSC policy developments feed into UNEP programming and delivery at regional and national levels.

15. In June 2014, at the first UNEA, UNEP presented a report on South-South Renewables Trade. The publication showed that South-South Renewables Trade Grows faster than global trade as developing countries invest in Green Technology. Such opportunities are highlighted in the UNEP document that is available at: [http://www.unep.org/greeneconomy/Portals/88/documents/Report/South-South%20Trade\\_LOW-%20RES\\_26june.pdf](http://www.unep.org/greeneconomy/Portals/88/documents/Report/South-South%20Trade_LOW-%20RES_26june.pdf)

In addition to these strategic actions, UNEP has, in close collaboration with Member States and partners, undertaken a number of specific interventions in the implementation of SSC and TrC.

Examples include the following:

16. UNEP has partnered with other UN agencies on SSC and has been an active in the Global South-South Development (GSSD) Expo series since they started in 2008. The annual Expos, which are convened by the UNOSSC, showcase successful evidence-based solutions by developing countries to address development challenges. In 2013, UNEP hosted the first GSSD Expo in the South, with the highest number of participants where more than US\$ 450 million was pledged between investors, green businesses, governments and other parties.
17. As a follow up to the GSSD 2013, the UNEP Regional Office For West Asia (ROWA), in collaboration with the UNOSSC, organized the first Arab States Regional South-South Development Expo in Doha, Qatar (18-20 February 2014). This was in direct response to the interest developed from the GSSD Expo 2013 hosted by UNEP three months earlier and demonstrated the power of SSC as a development tool at the regional level.
18. At the GSSD Expo 2014 held in Washington DC, USA, in November 2014, UNEP convened a 90-minute Solution Forum on Green Economies for Sustainable Economies. The panelists discussed the solutions to the major challenges facing the developing countries in urbanization and energy development and the options for engaging strategic partners from both the South and North to achieve green economies for sustainable development. The forum also showcased two SSC and TrC upscaling solutions namely:
- a. The UNEP African Rift Geothermal Project (ARGeo): Accelerating and Scaling-up Renewable Energy in Africa:
    - i. The UNEP African Rift Geothermal Development Facility (ARGeo), (<http://www.theargeo.org/>), a Global Environment Facility (GEF) funded regional project is being implemented by UNEP. The objective is to promote geothermal resource exploration, development and utilization as well as catalyzing private and public investment to accelerate development of geothermal energy through mitigation of risks associated with resource exploration. The project has six member countries; Kenya, Ethiopia, Eritrea, Rwanda, Tanzania and Uganda. ARGeo is also targeting an additional seven potential countries: Burundi, Comoros, Djibouti, Democratic Republic of Congo, Malawi, Mozambique and Zambia. Building on the lessons from Kenya, Geothermal Development Company Ltd (GDC) has been asked to develop a regional geothermal center of excellence in Kenya. UNEP in collaboration with GDC are currently carrying out skill gap analysis of all East African countries.
  - b. Cities as Drivers for Change: Resource Efficient Cities for Sustainable Development, an initiative within the Global Initiative for Resource Efficient Cities (GI-REC). GI-REC is an initiative between UNEP and UN-Habitat:
    - ii. As the world continues to urbanize, there are many challenges, including increasing pressure on natural resources, especially if the current consumption and production patterns remain unchanged. One solution is

building resource-efficient cities which combine greater productivity and innovation with lower costs and reduced environmental impacts while providing increased opportunities for consumer choices and sustainable lifestyles. Activities under GI-REC feed into the UNEP-UN Habitat Greener Cities Partnership, which couples resource efficiency with urban and spatial planning, targeting sustainable transport and water issues as key sectors for city actions.

19. In May 2014, during Chinese Premier Li Keqiang's visit in Nairobi, the Chinese National Development and Reform Commission (NDRC) and UNEP signed an agreement for the Enhancement of Collaboration on South-South Cooperation in Addressing Climate Change. The agreement is the first of its kind between the UN and the government of a developing country. It will be used to harness the "strengths, capacities and resources" of UNEP and China to assist countries of the global South to combat climate change.
20. As a follow up to the MOU between UNEP and NDRC, UNEP-IEMP organized, on the sidelines of the COP20 in Lima, Peru, in December 2014, ministerial forum on South-South Cooperation on Climate Change. More than 200 Participants attended the Forum including ministers from China, Egypt, Gabon, Mongolia, Nepal, and Seychelles, principals of UN and international organizations UNEP, UNDP, UNFCCC, IPCC, UNCCD, GEF, senior governmental representatives, business leaders, scientists, civil society representatives and media. Emphasis was placed on the importance of cooperation and exchange of expertise amongst the Global South for addressing global challenges. It was announced at the forum that:
  - a. A new South-South Cooperation Fund by China will be created; and
  - b. An avenue will be created under the UNFCCC Trust Fund for South-South Cooperation.

Discussions are ongoing between UNEP and NDRC on next steps of cooperation including the establishment of a Platform for Promoting South-South Cooperation on Climate Change.

21. In March 2015, a Workshop on Planning for Greener Cities and South-South Cooperation between China and Africa, under the UN-Habitat/UNEP Greener Cities Partnership, was organized by UNEP, UN-Habitat and China's Tongji University, with the support from the Ministry of Science and Technology of China and the Shanghai Government. The workshop was attended by mayors and department heads from eight cities in Africa - Yaoundé (Cameroon), Addis Ababa (Ethiopia), Kiambu County (Kenya), Abidjan (Côte d'Ivoire), Niamey (Niger), Kampala (Uganda), Lusaka (Zambia), Harare (Zimbabwe); and their counterparts in Chinese cities.

### **Opportunities**

22. Through the recently established community of practice, UNEP is seeking to enhance awareness levels and promote deliberate use of SSC and TrC. This will also help in identifying potential opportunities for collaboration, funding mechanisms as well as technologies available for use in implementing the SSC projects.
23. Several Member States are increasingly interested to fund SSC in UNEP for facilitating South-South initiatives. For instance, at the UN Climate Change Conference in Lima, Peru in December 2014, China announced the launch of a separate South-South Cooperation Fund of US\$ 20 million for climate finance and invited other developing countries to contribute.
24. UNEP's strong strategic regional presence and UNEP's regional offices can also facilitate and strengthen opportunities for country-to-country and region-to-region exchanges in collaboration with other members of the UNCT in line with the BSP.

25. Regional Development Banks and emerging economies play a critical role in development issues in the countries of their respective regions of operation and will be key engines for South countries to achieve the SDGs. UNEP through the regional offices is taking the lead in developing win-win partnerships with regional development banks and other regional institutions that aim at implementing the regional sustainable development agenda using SSC.
26. UNEP's work on the Inclusive Green Economy, the Post-2015 Sustainable Development Agenda can benefit from the work in SSC and TrC. Emerging economies and economies in transition are now the major players of SSC and the Inclusive Green Economy.
27. Given the growing importance of SSC, UNEP is building on the momentum and increasingly integrating SSC and TrC in its projects and programmes in a coordinated and coherent manner that also responds to the needs of regions and member states.

### **Future work**

28. Important elements of UNEP's future work on SSC include:
  - i. Supporting economies in the South to implement an Inclusive Green Economy as an opportunity for sustainable development, including the Post-2015 Sustainable Development Agenda;
  - ii. Using SSC to enhance the **multiplier effect** and upscaling of UNEP's interventions in the regions and increase responsiveness to country needs and priorities;
  - iii. **Complementary** to existing overarching principles of environmental sustainability on which UNEP's MTS and PoW are anchored. i.e. SSC must be responsive to the broad objectives of the seven sub-programmes and UNEA outcomes;
  - iv. Promoting the development of **partnerships** within the UN family and outside that foster joint programming within existing frameworks such as the UNDAFs.
29. UNEP is committed to strengthen its engagement with the UNOSSC by continuing to play an active role in promoting interlinkages with the rest of the UN system while monitoring and following-up on strategic and political issues related to SSC. This ensures that SSC policy developments feed into UNEP programming and delivery at regional and national levels.