

Annex 1

REPORT OF THE COMMITTEE ON SOUTH-SOUTH COOPERATION

1. The Committee on South-South Cooperation met as scheduled on 29 August 2012 during the thirty-fourth session of the Economic Commission for Latin America and the Caribbean (ECLAC). The following countries were appointed to serve as presiding officers of the Committee:

<u>Chair:</u>	El Salvador
<u>Vice-Chairs:</u>	Barbados, Brazil, Chile, Cuba and Peru
<u>Rapporteur:</u>	Uruguay

2. The Committee adopted the following agenda:

1. Election of officers.
2. Adoption of the agenda.
3. Report on the activities of the ECLAC system to promote and support South-South cooperation during the 2010-2011 biennium.
4. Middle-income countries: A structural-gap approach.
5. Presentation on the political and strategic principles of the Ibero-American Programme to Strengthen South-South Cooperation.
6. Synergies and complementarities with other discussion forums: United Nations Development Programme (UNDP), Latin American and Caribbean Economic System (SELA), Community of Latin American and Caribbean States (CELAC), Ibero-American Secretariat (SEGIB).
7. Consideration and adoption of the resolutions of the Committee on South-South Cooperation.

3. The Deputy Executive Secretary of ECLAC presented the report “Activities of the ECLAC system to promote and support South-South cooperation during the 2010-2011 biennium”, which examined the characteristics of South-South cooperation and multilateral assistance channelled through the United Nations. In his statement, he said that ECLAC performed a variety of roles in promoting and supporting South-South cooperation, acting as a catalyst, as a promoter of regional dialogue and as a driver of regional technical cooperation projects, and provided more detail on ECLAC activities in each area. He then described the mandate the Commission had received from the Committee on South-South Cooperation during the thirty-third session of ECLAC, held in Brasilia in 2010, which consisted in developing a broader set of indicators, so that classification as a middle-income country ceased to be an obstacle to participation in official development assistance. He also commented on the document “Middle-income countries: a structural-gap approach. Note by the secretariat”, and said that a criterion other than per capita income was needed for the distribution of official development assistance. The new approach set out in the aforementioned document aimed to ensure that cooperation policy was more inclusive and to sharpen the focus to take account of the heterogeneity of problems arising in the countries in the region and recognize the structural gaps that constrained the development of middle-income countries. In conclusion, he recommended further work to identify and quantify gaps and expand multilateral dialogue on financing for development.

4. In the discussions that followed, representatives congratulated the secretariat on the documents presented and agreed that the practice of allocating official development assistance was in need of new

criteria, since per capita income alone did not reflect the particular realities of each country and many countries in need of assistance were left out. Furthermore, it was suggested that recipient countries should be given an active role in deciding the areas to be prioritized and how resources should be channelled; discussion forums would have to be set up to look at other indicators that could be used to allocate official development assistance. Several representatives of donor countries said that South-South cooperation was important in promoting development and referred to the activities their countries were carrying out in that sphere in Latin America and the Caribbean. They reiterated their commitment to continue pursuing a range of triangular, bilateral and regional initiatives to support the countries in the region. Some representatives questioned the use of the word “donors”, given that the point was to establish a cooperation relationship that benefited both sides, above all during an international crisis.

5. The representative of Uruguay explained the functioning and the goals of the Ibero-American Programme to Strengthen South-South Cooperation. Nineteen Latin American and Caribbean States were participating in the initiative (though it was also open to other countries and regions), which had arisen from a mandate handed down at the seventeenth Ibero-American Summit, held in Chile in 2007. The programme was structured around five lines of action: (i) providing education and training; (ii) supporting information, computer and records systems; (iii) supporting the preparation of the annual report on South-South cooperation in Latin America and the Caribbean; (iv) the positioning of South-South cooperation in international forums; and (v) systematizing and documenting experiences of South-South cooperation. He highlighted the increasingly important role of South-South cooperation within international cooperation, and its benefits for donors and recipients alike: it was based on a horizontal partnership between countries and it encouraged them to share knowledge and effective practices for dealing with development challenges. Solidarity and an efficient use of resources characterized the approach of South-South cooperation. He emphasized that technical and institutional teams needed to be complementary in order to bring about the political will to cooperate. Lastly, there was a risk of ending up with numerous overlapping and uncoordinated cooperation platforms and projects, and he urged States and organizations to optimize their capacities for the benefit of cooperation.

6. The representative of Chile announced that, as Chair pro tempore of the Community of Latin American and Caribbean States (CELAC), his Government was proposing, in conjunction with the Government of Argentina, to set up a Latin American and Caribbean Working Group on Cooperation as a discussion forum for sharing opinions and viewpoints regarding the international cooperation agenda. The proposal recognized and supported the existence of different cooperation platforms in the region, and was therefore not intended to provide alternative mandates or duplicate sectoral or specific efforts made by existing platforms. The working group would be composed of directors or senior national officials responsible for cooperation matters in the member States. The following activities would be carried out under the proposal: (i) form an open-ended working group and request technical support from the corresponding regional bodies; (ii) convene a meeting of the working group the following October in Santiago for national officials responsible for cooperation, with a view to drafting a consensus proposal and a common thematic agenda on cooperation; (iii) prepare a consultation on ways to complement and improve intraregional cooperation, with support from ECLAC, the Latin American and Caribbean Economic System (SELA) and other forums, and (iv) prepare the Latin American and Caribbean stance in cooperation forums that are part of international bodies and in other spheres.

7. The representative of Guatemala said that he welcomed the document and the gap-based approach as a complement to the per capita GDP indicator, but the proposal was not necessarily the only option and there could be alternatives.

8. The representative of El Salvador said that multilateral entities with a mandate on South-South cooperation needed to find complementarities and synergies, for several reasons: in order to increase the influence of cooperation internationally and within discussions on development; so that Latin America could assume a leadership role in that area; because of the need to ensure sufficient representation and

impact; so that the countries themselves could gain experience and knowledge of South-South coordination, and because such coordination was linked to integration processes. She therefore suggested identifying comparative advantages in the various national coordination forums so as to be able to assign specific functions to drive the regional agenda on South-South cooperation, promoting the sharing of information and support among coordination bodies, and including a resolution to request that the Chair of the Committee, in conjunction with the presiding officers and the Office of the Executive Secretary, draft a proposal for coordinating efforts with the various forums on South-South cooperation, such as the Ibero-American Secretariat (SEGIB), the Community of Latin American and Caribbean States (CELAC), the Latin American and Caribbean Economic System (SELA) and the United Nations Development Programme (UNDP).

9. The conclusions of the meeting of the Committee on South-South Cooperation are reflected in resolution 675(XXXIV).