

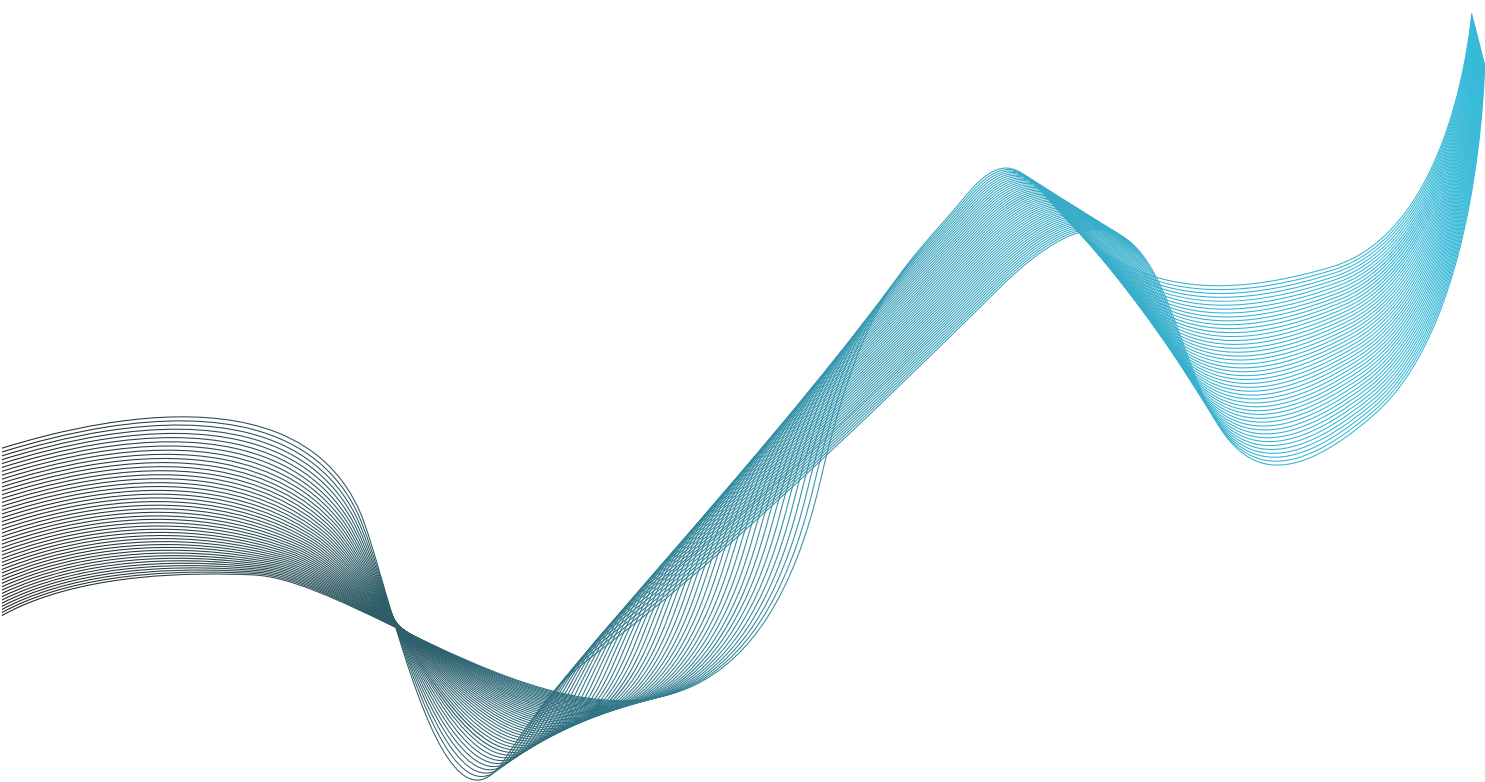
EXECUTIVE SUMMARY

2015 REPORT ON SOUTH-SOUTH COOPERATION IN IBERO-AMERICA



Secretaría General
Iberoamericana

Secretaria-Geral
Ibero-Americana



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**REPORT ON SOUTH-SOUTH
COOPERATION IN IBERO-AMERICA**

2015



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Introduction

This year, 2015, will be critical for development cooperation. Important events, including the Conference on Financing for Development in Addis Ababa (July), the United Nations General Assembly in New York (September) on Sustainable Development Goals, and the 21st Conference of the Parties of the UN Framework Convention on Climate Change (COP21) in Paris, will bring together the international community to complete the work carried out over all these years in defining the post-2015 Agenda and the new architecture of the International Development Cooperation System.

Ibero-America is not only actively engaged in bringing about these changes, but is also delivering its own transformation. Indeed, the *Guidelines for Renewal of Ibero-American Cooperation*, adopted during the 23rd Summit of Heads of State and Government held in Panama (October 2013), laid the groundwork for the decisions and agreements reached at the 24th Veracruz Summit held in Mexico (December 2014), on the implementation of this renewal. This process of change also resulted in reforming the annual summit, which will now be held every two years. Indeed, 2015 is seen as the year in which the Ibero-American community must work to complete the renewal process, and present the outcome at the 25th Ibero-American Summit of Heads of State and Government to be held in Colombia in 2016.

In this challenging context, the Ibero-American General Secretariat (SEGIB) has continued to work with our countries and the Ibero-American Program to Strengthen South-South Cooperation (PIFCSS) to draft this *Report on South-South Cooperation in Ibero-America 2015*. This Report, its eighth edition, not only continues to build on a horizontal and collective process based on methodological rigor, but also includes groundbreaking innovations stemming from this process of change and renewal.

Thus, the reflection of our political leaders on South-South Cooperation, and the systematization of various forms of South-South Cooperation recognized by our countries are issues whose interpretation is highly conditioned by this evolving context. Indeed, the edition and format of the report have changed.

First, the *Report on South-South Cooperation in Ibero-America 2015* has changed its format to maximize its visual impact. This is not just about changing the format of the Report, but rather, and above all, about analyzing the data in a different manner, with the ultimate goal of using new enhanced graphics to display information in a more meaningful, visual and reader-friendly manner. Secondly, 2015 will herald a step-change in the way data is collected and processed; a year to transition from a questionnaire-based study to one in which a more



advanced resource is used: a virtual data platform on South-South Cooperation; the first of its kind for the region. The Integrated Ibero-American South-South and Triangular Cooperation Data System (SIDICSS), built by the collective effort of the PIFCSS, its member countries and SEGIB, heralds a new way of working not only on the Report, but also, within the countries. The SIDICSS will be an innovative tool that will enable each stakeholder to manage and view their own information on South-South Cooperation.

decisions and managing cooperation between our countries, and for giving greater visibility to South-South Cooperation. We will continue to work as we have done since the first edition of this Report, with unwavering commitment and dedication to serve the Ibero-American community. We hope that the new post-2015 scenario will allow us to further advance and consolidate our efforts to give Ibero-America and its South-South Cooperation a prominent role in the new architecture of International Development Cooperation.

This year of change ends with a Report and a Virtual Platform: innovative tools that are essential for making

Rebeca Grynspan
Ibero-American Secretary-General

Salvador Arriola
Secretary for Ibero-American Cooperation



Foreword

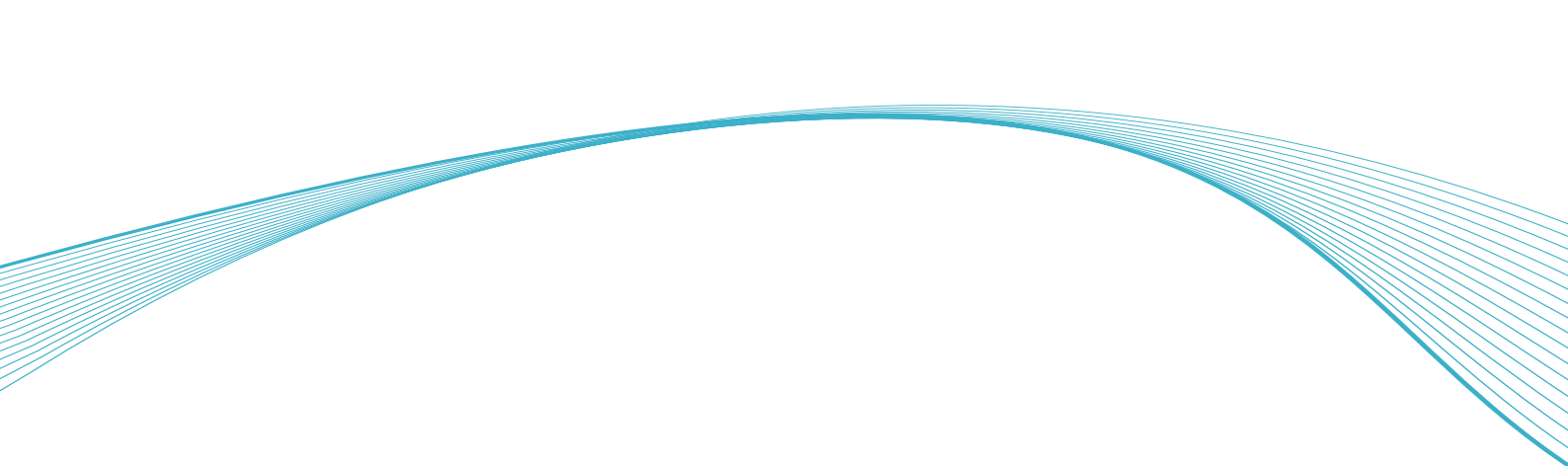
The **Report on South-South Cooperation in Ibero-America** was first published in 2007, halfway through the 2000-2015 period, when the architecture of the entire International Development Cooperation System will be reshaped. The scenario in this period, which extends from the Millennium Declaration and its Development Goals to the upcoming events in 2015 related to the post-2015 Agenda, is one in which the Ibero-American region and its countries not only play a prominent role, but also create the conditions to demand this **Report on South-South Cooperation**.

Indeed, the momentum for this **Report**, driven by the demand of Ibero-American countries, cannot be properly understood without taking account of the changes that emerged in the region during this period. A period marked by efforts to achieve the Millennium Development Goals (MDGs), the commitments of the Monterrey Conference, the subsequent targeting of aid to the poorest countries, and the debates on how the effectiveness of the MDGs and whether they should be replaced by the new Sustainable Development Goals (SDGs). The transformation of the international cooperation system has meant that these countries are no longer development assistance recipients, and seek to play a dual role in this new scenario as both providers and recipients of cooperation. This inevitably leads to increased demand for systematization and greater awareness of the forms of South-South Cooperation in which they are involved. A scoping exercise to better understand the special role that Ibero-America will play in this cooperation which, although not “new”, is experiencing a boom. The outcome is this **Report on South-South Cooperation in Ibero-America**, its eighth edition, published in this pivotal year 2015.

This edition, as all previous editions, is in itself an intergovernmental and horizontal exercise in South-South Cooperation that strengthens integration and partnerships between Ibero-American countries. The **Report on South-South Cooperation in Ibero-America 2015** is the product of the joint work of the Ibero-American Program to Strengthen South-South Cooperation (endorsed at the 18th Summit of Heads of State and Government held at San Salvador in 2008 to, inter alia, join and support this effort), the 22 countries in the region, and the Ibero-American General Secretariat (SEGIB). The **Report** engages all relevant technical and political stakeholders. It therefore, not only provides an increasingly comprehensive snapshot of South-South Cooperation in the region, but also, since 2009, builds on the reflections of government officials responsible for Ibero-America-related cooperation and South-South Cooperation, and their role in the new post-2015 Agenda.

Indeed, owing to its structure and content, method of preparation and groundbreaking approach, the eight editions of the **Report on South-South Cooperation in Ibero-America** have contributed immense insight. In particular:

- The **Report on South-South Cooperation in Ibero-America** has provided **greater insight and in-depth understanding on the form of South-South Cooperation in which Ibero-America is involved and how it is evolving**. For each and every form of cooperation recognized in this space (Bilateral, Triangular and Regional), the Report details, inter alia, how much cooperation there is, who participates in it, at what level of activity and in which role the countries participate, preferred partnerships between countries, if any, and what skills are strengthened. The efforts



made to create South-South Cooperation indicators have undoubtedly contributed to the above and to the progress made.

- **It confirms the increasing and intense dynamism of the region in South-South Cooperation.** It was not merely a perception, but a verifiable fact that Latin America has played a leading role in the resurgence of South-South Cooperation. Indeed, as already noted above, the Report has contributed to this new impetus in South-South Cooperation, owing to enhanced collaboration, integration and partnerships between the 22 member countries of the Conference.

- The **Report has given greater visibility to South-South Cooperation in the region** in two ways: **outwards**, making the general public and other countries aware of the work carried out in the region, and **inwards**, within their own governments, underscoring the importance of Cooperation, in particular the South-South variety, which seeks to provide improved development and welfare to their people, just like they do in other areas that sometimes receive greater attention and recognition.

- **It has provided countries with an innovative, useful and essential management tool.** The information contained in the **Report on South-South Cooperation in Ibero-America**, as well as the use made thereof, helps countries weigh up decisions on management and planning of development cooperation.

- **It has contributed to strengthening the institutional and methodological capacity of Ibero-American countries.** When we started down this path, most countries did not have a South-South Cooperation registration system. Today, most countries in the region have such systems and, although there are still gaps between them, they are converging towards

a scenario in which everyone will have more developed information systems that meet each country's needs.

- Finally, this **Report on South-South Cooperation in Ibero-America** has served as a forum for debate and reflection, making it possible to build Ibero-American visions and positions not only on South-South Cooperation, but also on various aspects of the International Development Cooperation Agenda. Indeed, this **Report** and the Program have enabled Ibero-America to develop consensus positions and speak with one voice in various international forums and debates on cooperation and the post-2015 Agenda.

At this key moment for development cooperation, the **Report on South-South Cooperation in Ibero-America 2015** continues to progress and consolidate its role as an essential tool for bringing visibility and managing South-South Cooperation in the region. A **Report on South-South Cooperation** that enjoys the commitment and support of Ibero-American countries and the Ibero-American General Secretariat.



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Executive Summary

The successive editions of the **Report on South-South Cooperation in Ibero-America** have made this study a **reference tool for understanding trends in the South-South Cooperation in which our region is involved**. Indeed, after eight editions, this **Report** has allowed us to delve deeper into some aspects of the performance of the three forms of South-South Cooperation recognized in our region: Bilateral Horizontal South-South, Triangular South-South, and Regional Horizontal South-South Cooperation. Additionally, the **Report on South-South Cooperation in Ibero-America** has served as a forum for **reflection and for the Heads of Cooperation** of our countries to **voice their opinion**. They have leveraged the opportunity provided by this Report **to build a common Ibero-American position on South-South Cooperation and the International Development Cooperation Agenda**. An Ibero-American position that has always revolved around two main focal points: firstly, a claim to principles and features that distinguish our increasingly dynamic South-South Cooperation, and therefore an increasingly prominent role in the international stage, and, secondly, criticism of an income-based categorization of countries, which, according to the **of Ibero-America's share of Official Development Assistance (ODA)**, corroborates the **region's decline in recent years as recipients of assistance inflows**.

In the same vein, this **Report on South-South Cooperation in Ibero-America 2015** seeks to further the work done and engage more deeply in these areas. The core of this Report focused on the **identification and characterization of the South-South Cooperation in which our region participated in 2013**. The analysis of each of the three forms recognized in Ibero-America is complemented by a **reflection on the role that our region should play in the International Cooperation system within the framework of the post-2015 Agenda**.

2015: Ibero-America, South-South Cooperation and the new Agenda for Development

In this context, **when the architecture of International Development Cooperation** for the coming decades is expected to be redefined in **2015**, the Ibero-American countries **reflected**, through their government officials, **on the role that Triangular South-South Cooperation could play in this new scenario**. Indeed, our countries realized that in the new post-2015 scenario, Triangular South-South Cooperation is the meeting point for two different cooperation experiences (South-South and traditional), and may become an **innovative resource for developed countries to join South-South Cooperation as peers**. They also pointed out that these new actors to South-South Cooperation face the **challenge of building bridges without jeopardizing the values and principles that define and distinguish this form of cooperation**.

Ibero-America and Bilateral Horizontal South-South Cooperation in 2013

During 2013, nineteen Latin American countries executed 576 projects and 399 actions under Bilateral Horizontal South-South Cooperation.

According to the Report, five countries acting as providers accounted for almost 85% of all projects in 2013: **Brazil and Argentina** (166 and 140 projects, equivalent to more than 50% of the total); **together with Mexico, Chile and Uruguay**, respectively with around 10%, accounted for another 30.9% of the 576 projects. The remaining 16% of the cooperation was provided by nine countries, including Cuba and Colombia (34 and 30 projects, respectively); and Bolivia, Costa Rica, Ecuador, El Salvador, Guatemala, Peru and Venezuela (between 1 and 12 projects). Meanwhile, Paraguay, Dominican Republic, Honduras, Nicaragua and Panama were inactive as providers in 2013.

As in previous editions of this [Report on South-South Cooperation in Ibero-America](#), all countries in the region, without exception, were recipients in 2013. The Report also highlights the involvement of **El Salvador** (80 projects) **Bolivia, Ecuador and Uruguay** (between 45 and 50 projects each), **four countries that together account for almost 4 out of 10 of the 576 projects executed in 2013. Another 25% of the cooperation received in 2013 was directed to Colombia, Cuba, Mexico and Peru** (between 30 and 40 projects each). One out of three of the remainder of the projects were participated by one or more of these nine countries: on the one hand, the Central American countries Guatemala, Honduras, Nicaragua and Costa Rica with the Dominican Republic; and on the other, the South American countries Venezuela, Chile, Argentina and Paraguay. Panama and Brazil (the top provider), together accounted for the remaining 3.3% of projects.

It is important to emphasize the type of capacities strengthened through Bilateral Horizontal South-South Cooperation. **In 2013, over one-third of the projects exchanged between Ibero-American countries**

(35%) were geared towards strengthening **Social capacities**, in particular in the **Health** sector. **Three out of 10 (29%) projects had an economic focus with a bias towards certain productive sectors**, including **Agriculture** (53% of the projects). **Next were projects (13.6%) focused on strengthening government institutions**. According to the Report, notable were the initiatives geared towards strengthening Public Policies and Administration, Legal and Judicial Development, Public and National Security, and Human Rights. The number of cooperation projects biased towards creating and improving conditions for proper functioning of the national economy (11.4%) through **new infrastructures and economic services was also significant**. The **activities** focusing on **Other multisectoral** (Culture, Gender and Development) and the **Environment** accounted for a **relatively smaller share** (6.7% and 4.3%, respectively).

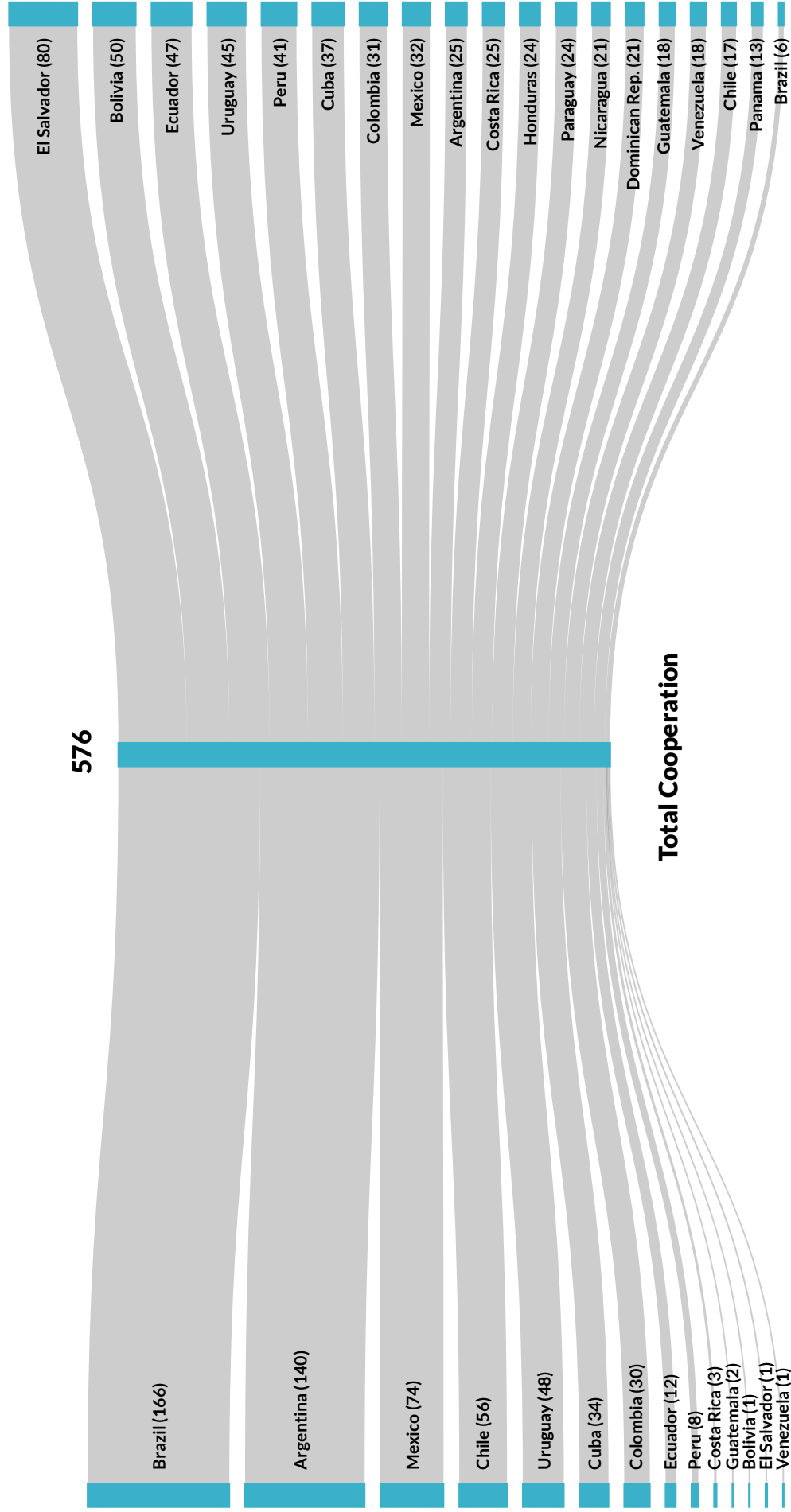
Finally, it should be noted that, through the [Report on South-South Cooperation in Ibero-America 2015](#), we have further developed the work carried out over recent years in Ibero-America to improve the methodological framework in which we operate and, thus, provide ourselves with innovative and better analysis tools. In particular, **additional progress has been made in developing indicators for South-South Cooperation and applying statistical techniques. The use of these new tools has enabled greater understanding of Bilateral Horizontal South-South Cooperation**. One such example was the approximation to South-South Cooperation's **time and economic "dimension"**, as well as the **"efficiency"** with which it was executed by the countries. Indeed, the interval between the approval and initiation phases of the activity provides **an estimate of the "efficiency"** or promptness with which the partners implemented the projects. According to this report, **more than half of the projects implemented in 2013 began its activity within six months**.

It is also possible to find out more about the time "dimension" of the projects by relating the start and completion dates of the activities. Taking into account the average duration, it emerges from the report that

Diagram

Distribution of BHSSC projects provided and received, by country and role. 2013

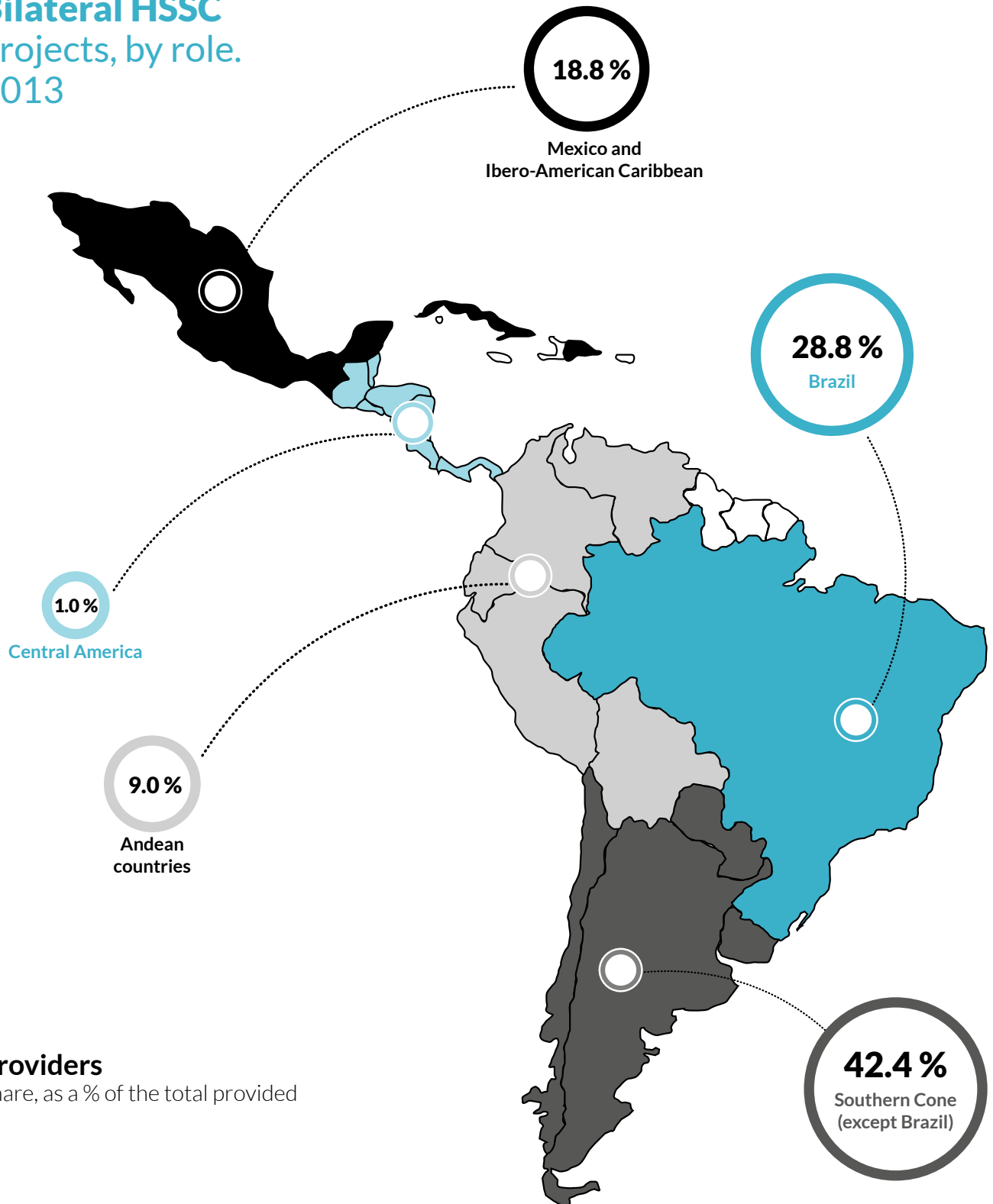
Projects (numbers)



Source: SEGIB, based on reporting from cooperation agencies and/or bureaus

Map

Subregion's participation in **Bilateral HSSC** projects, by role. 2013



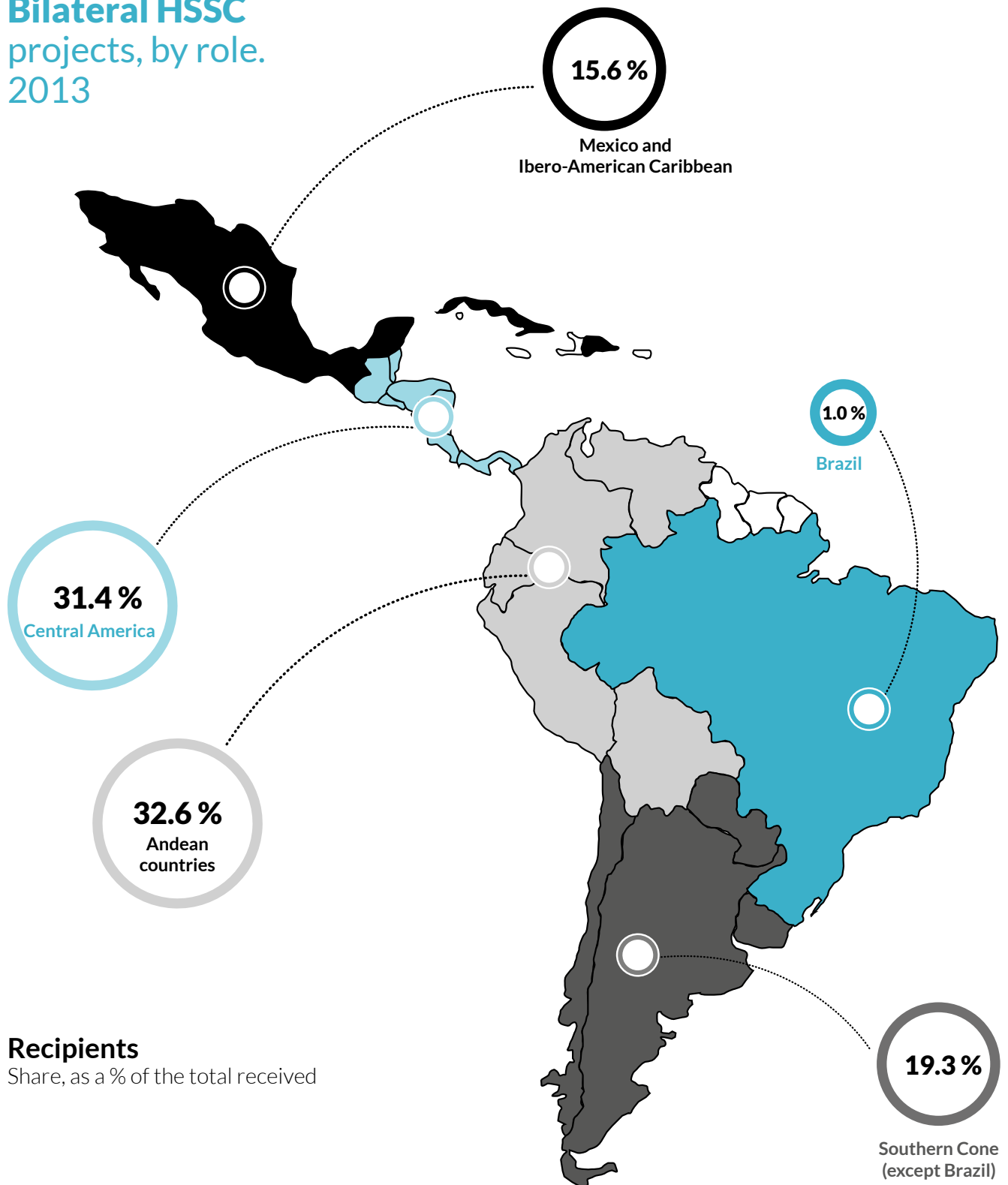
Providers

Share, as a % of the total provided

Source: SEGIB, based on reporting from cooperation agencies and/or bureaus

Map

Subregion's participation in **Bilateral HSSC** projects, by role. 2013



Recipients

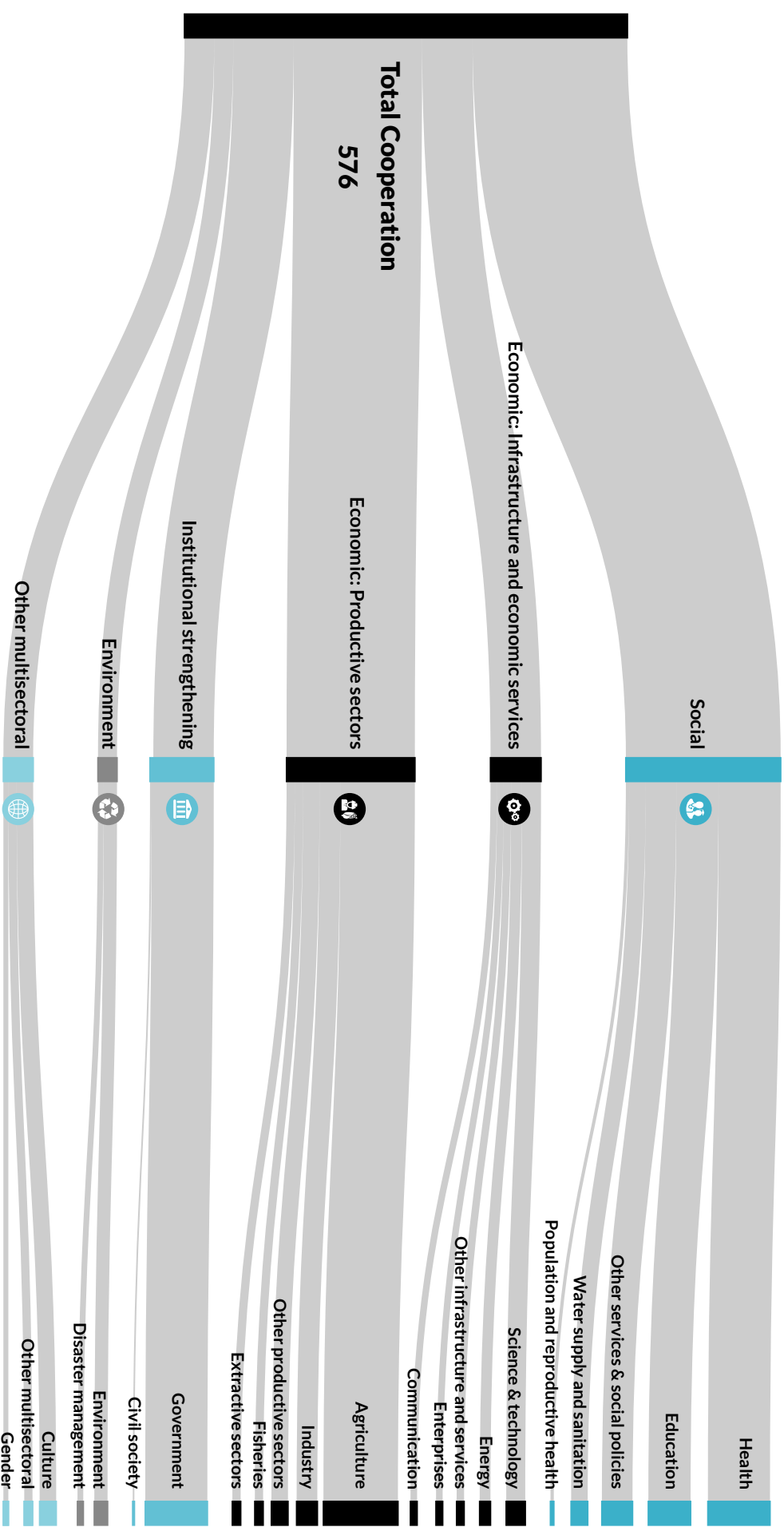
Share, as a % of the total received

Source: SEGIB, based on reporting from cooperation agencies and/or bureaus

Diagram

Distribution of Bilateral HSSC project flows, by dimension and by activity sector. 2013

Projects (numbers)



Source: SEGIB, based on reporting from cooperation agencies and/or bureaus

one-quarter of the projects exchanged by Ibero-American countries during 2013 were underway less than a year and a half.

“The nineteen Latin American countries executed 576 projects and 399 actions under Bilateral Horizontal South-South Cooperation”

Committed to an increasingly dynamic South-South Triangular Cooperation

The **Report on South-South Cooperation in Ibero-America 2015** also identified and characterized **68 projects and 98 actions under Triangular South-South Cooperation executed in the region in 2013**. The **commitment of Ibero-America with this form of cooperation** is embodied not only by the importance our government officials attributed to South-South Triangular Cooperation when they decided to reflect on its role in the new post-2015 Agenda, but also by the fact that **the number of initiatives executed in 2013 under this form was 36% higher than in 2012**.

The involvement of countries in this context differed according to the role played. **In the role of top provider, the leading country** bearing the main responsibility for transferring skills **was Chile**, which was involved in one-quarter of the 68 South-South Triangular Cooperation projects executed in 2013. **Notable second providers were Brazil, Mexico and Argentina** which, along with Chile, accounted for **8 out of 10 projects**. On the other hand, four countries took on the role of second providers, providing primarily, but not exclusively, financial support for **72.1% of the projects: Germany and the US** (which accounted for about 20%) and **Japan and Spain** (between 10% and 20%, respectively). **Four other countries (El Salvador and Honduras** (16.2% each); and **Bolivia and Guatemala** (respectively, 11.2% and 10.3%), **were involved as recipients in slightly more than half of the projects**.

Moreover, **the preferred partnerships established between different partners to foster** Triangular South-South Cooperation **affected** the above-mentioned shares. According to the 2015 Report, notable were **the partnership between Chile, the United States and Germany** (two partners with whom the Andean country executed 45% of projects); or the one between **Brazil, the United States and Honduras** (which accounted for one-third of the Triangular projects of this South American country). Similarly, 81.8% of the cooperation projects received by Honduras were participated by Brazil and Chile; while, Chile and Honduras were involved in 63.6% of the projects geared towards strengthening El Salvador.

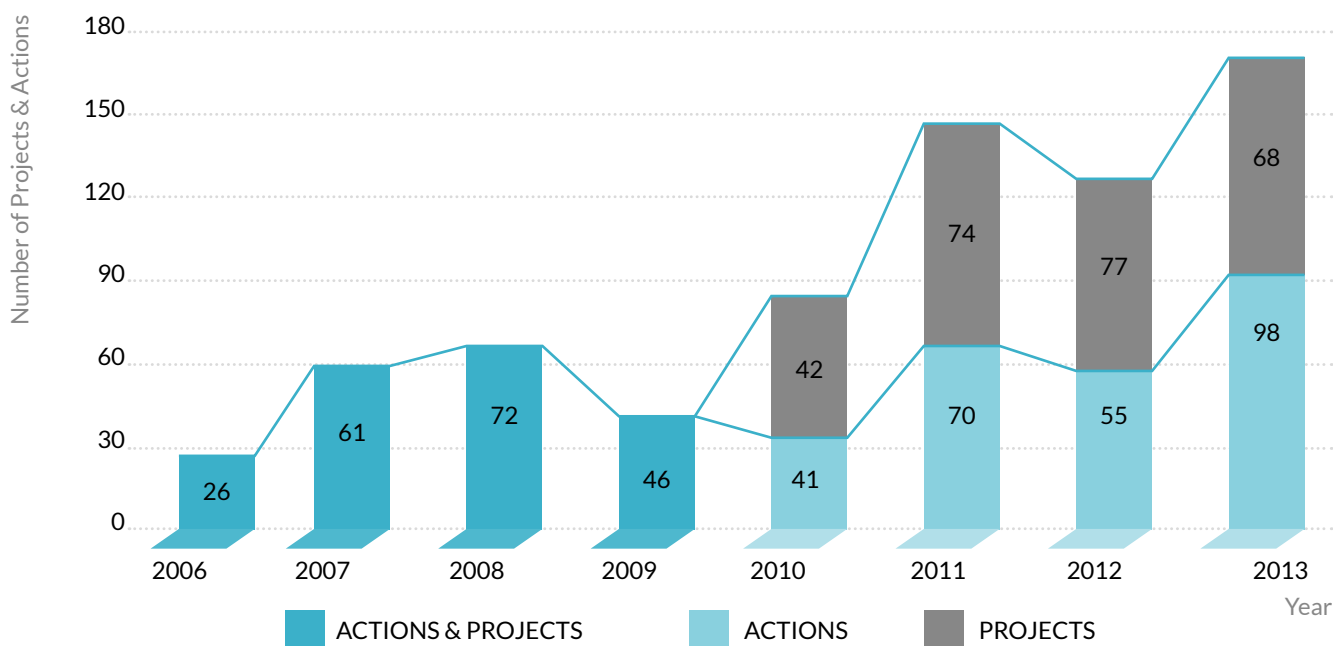
On the other hand, **almost four out of ten Triangular South-South Cooperation projects focused on strengthening capacities in the Economic sector**. Notable was the support to the **production side of the economy** (20.6% of the projects), with a predominance of the **Agriculture** sector (seven out of ten). **Almost one-quarter of the projects focused on Institutional Strengthening** (23.5%) and **one-fifth on Social capacities** (20.5%). Both dimensions of activity stood out in their support for Public Policy and Administration, Legal and Judicial development, Public Security and **Human Rights** (8 out of 10 projects were geared towards strengthening Government institutions), as well as **Health** (50% of Social projects). Finally, Environment-related projects accounted for somewhat less than one-fifth of the total (17.6%).

In terms of the methodology and, similar to what has already been done in Bilateral Horizontal South-South Cooperation, this 2015 Report has sought to understand better **Triangular South-South Cooperation through indicators and statistical resources**. For example, **the time dimension of this form of cooperation was explored in greater detail** by estimating the average duration of projects and actions. This 2015 Report reveals that **7 out of 10 Triangular South-South Cooperation projects were completed in less than 2½ years**. In contrast, **the duration of actions was shorter, with 6 out of 10 completed in less than 10 days**.

Graph

Triangular South-South Cooperation Projects and Actions underway each year (2006-2013)

Units



Source: SEGIB, based on reporting from cooperation agencies and/or bureaus and SEGIB (2014)

Finally, the [Report on South-South Cooperation in Ibero-America 2015](#) addresses several operational issues relating to how Triangular South-South Cooperation functions. This analysis showed that **91.1% of Triangular South-South Cooperation projects in which our countries were involved were subject to some kind of regulatory framework, of which half were of a tripartite nature.** It was also estimated that **86.9% of Triangular South-South Cooperation projects in 2013 originated at the request of the recipient.** In most cases, the recipient made the formal request to the first provider. The incorporation of second providers tended to occur when so required by the Triangular South-South Cooperation agreements, which, for some years now have been pushed by the first and second providers.

Regional HSSC: Ibero-America in the quest for shared solutions

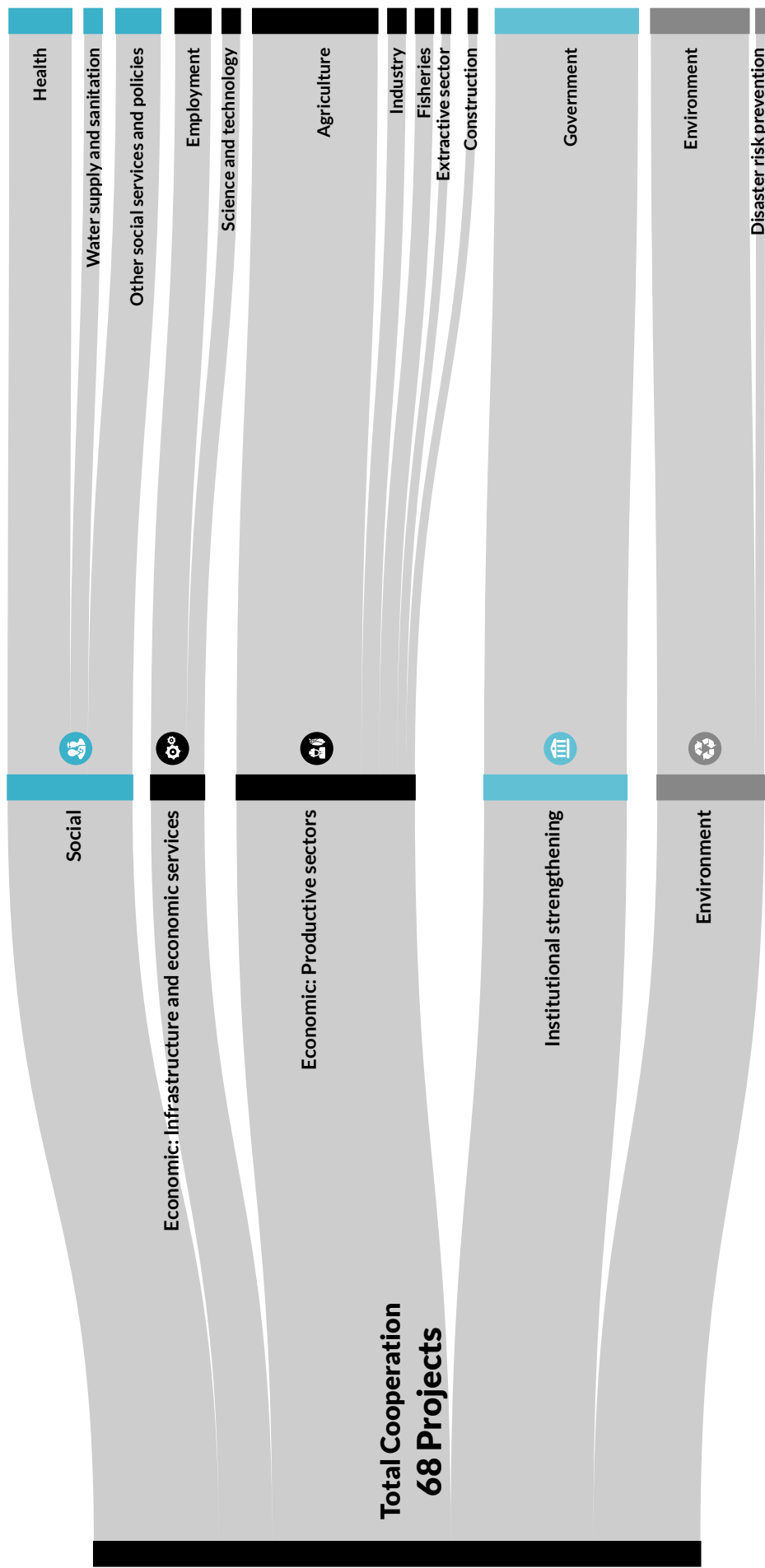
The Ibero-American region recognizes another form of South-South Cooperation: **Regional Horizontal.** Under this form of cooperation, a number of countries join efforts towards a common goal of development and/or integration, agreed and defended by all stakeholders under an institutional framework governing cooperation relations.

In this regard, the [Report on South-South Cooperation in Ibero-America 2015](#) shows how, in **2013**, the Ibero-American countries reported that they had been involved in **50 programs and 28 projects under Regional Horizontal South-South Cooperation**

Diagram

Distribution of Triangular South-South Cooperation projects, by dimension and sector.

2013
Units



Source: SEGIB, based on reporting from cooperation agencies and/or bureaus

to jointly address shared problems. Just over one-third of the 50 programs reported under this form of cooperation were aimed at strengthening socio-economic capacities: Social (20.8%) and improvements to infrastructure and economic services (14.6%). The main focus in both sectors was cooperation in **Education** and **Social Policies**, and support for **Scientific and Technological Innovation** and **Communications**. One out of four programs (25%) were geared towards strengthening the so-called Other dimensions of activity, mainly through support for **Culture** (three out of four programs). Additionally, 18.8% of activities focused on **Institutional Strengthening** of governments and only 6.3% on the **Environment**.

“A total of 166 Triangular South-South Cooperation initiatives (68 projects and 98 actions) were executed”

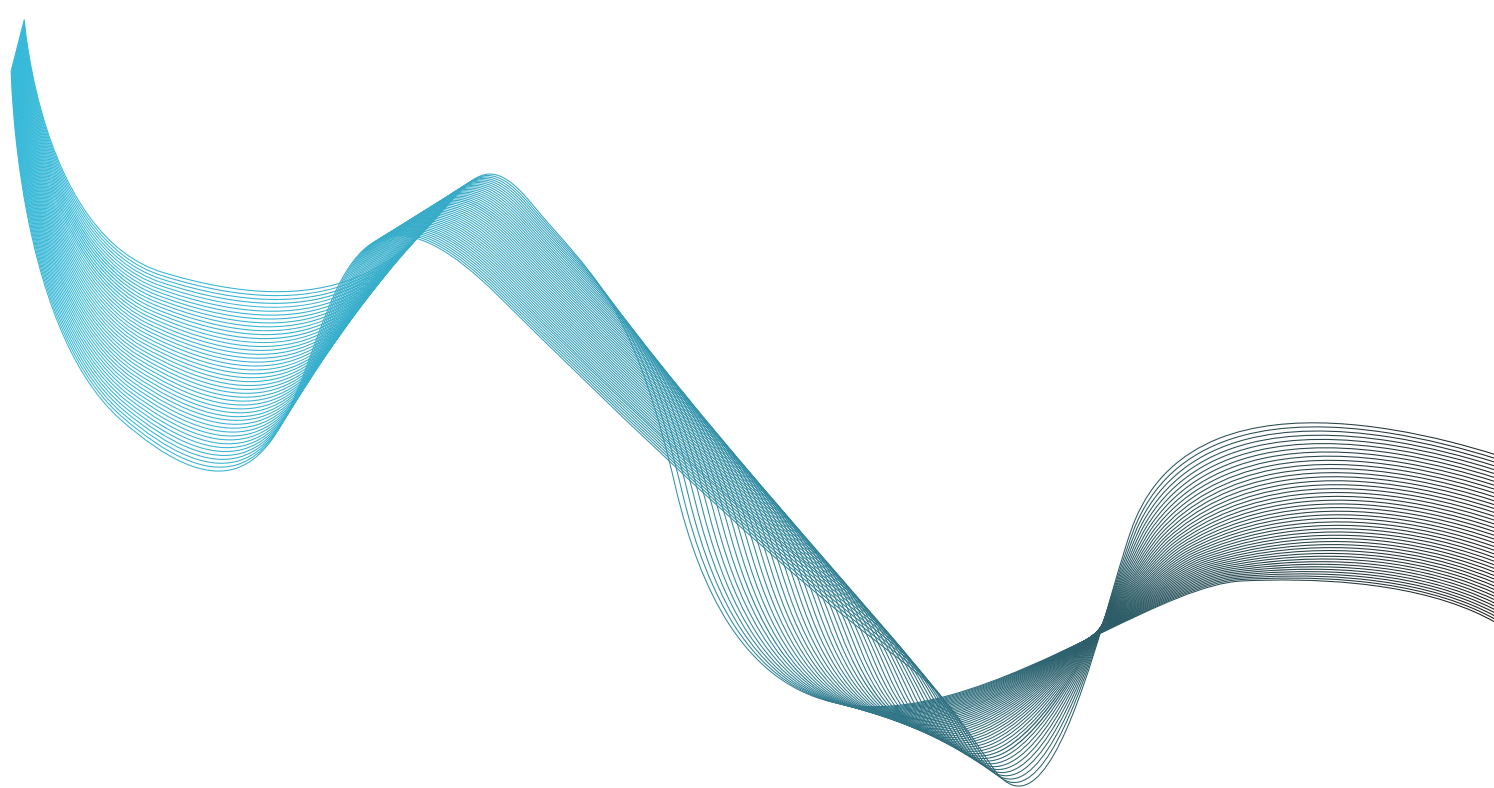
Meanwhile, **28 projects under this modality** were geared towards joining efforts in the Economic sector, in particular, providing support to the **Productive sectors**, including **Agriculture** (almost 3 out of 10 executed projects). Additionally, **another 42.9% of Regional Horizontal South-South projects focused on institutional strengthening of Governments, and enhancing capabilities in the Social dimension**. Yet again, the focus on environmental projects was less than expected, barely 3.6% of the 28 projects.

Lastly, the **Report on South-South Cooperation in Ibero-America 2015** explored in greater detail the involvement of regional mechanisms and organizations in **Regional Horizontal South-South Cooperation programs and projects**. Although their participation is not a prerequisite in this form of cooperation, it ensures the “transfer” of an institutional framework that regulates cooperation. Furthermore, as this 2015 Report shows, their participation has been more than significant. **In 2013, regional mechanisms and organizations played some role in at least 92.0% and 96.4% of the reported initiatives**. Based on reporting from the countries, **in nine out of 10 Regional Horizontal South-South Cooperation programs, capacities were strengthened through exchanges regulated** by one or more of the more relevant regional political and trade cooperation schemes: **SICA, CAN, UNASUR** and the **Ibero-American Conference**. These schemes or mechanisms regulated almost half of the **Regional Horizontal South-South Cooperation projects executed in 2013**. **MERCOSUR and the Pacific Alliance predominated in the other half**.

The Report on *South-South Cooperation in Ibero-America 2015* is the most comprehensive intergovernmental systematization of South-South Cooperation in a developing region. In the context of the new Post-2015 Agenda for development cooperation, this Report, which is the eighth edition, provides an international benchmark for understanding the role of our region in the future of South-South Cooperation.

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