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South-South cooperation in the fight against corruption

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Contents

	<i>Page</i>
Introduction	3
Section A: South-South cooperation — theory, purpose and function	4
A. What is South-South cooperation?	4
B. Background to South-South cooperation	5
C. New reality, new name	7
D. Triangular cooperation	8
E. The India-Brazil-South Africa (IBSA) Dialogue Forum as an example of South-South triangular cooperation	10
F. South-South cooperation: an alternative to North-South cooperation?	11
G. The nature of South-South development assistance	12
Section B: South-South cooperation — case studies and examples	13
A. Networks, associations and regional programmes	13
B. Asset recovery	16
C. Money-laundering	17
D. Mechanisms for the review of international legal instruments	18
The African Peer Review Mechanism (APRM)	18
Inter-American Convention Against Corruption and the Follow-Up Mechanism for its Implementation (MESICIC)	19
Section C: Lessons Learned — South-South cooperation and the fight against corruption ...	20
A. Advantages of South-South cooperation	20
B. Challenges for South-South cooperation	21
C. Emerging trends	22
D. UNCAC and South-South cooperation	23
E. Conclusion	24

Introduction

1. “As we move into the 21st century it is clear that a new paradigm of development cooperation has emerged with cooperation among developing countries as its central element. It is based on a new sense of the dynamics of how knowledge is generated, human resources are used, and a recognition of the rich reservoir of knowledge that exists in developing countries.”¹

2. South-South cooperation, also known as South-South learning, has emerged as an alternative to the more traditional development structures, often characterized by a North-South flow of expertise. South-South cooperation falls under the ambit of technical assistance, and can prove to be integral to the provision of technical assistance in implementing the United Nations Convention against Corruption (“UNCAC” or the “Convention”). It is also argued that the Millennium Development Goals will be easier to attain if South-South cooperation is a fundamental element of governmental policy and practice.²

3. As provided for in resolution 3/1, which was adopted by the Conference of the States Parties to the Convention at its third session in Doha from 9 to 13 November 2009, the Implementation Review Group was charged with following up and continuing the work undertaken previously by the Open-ended Intergovernmental Working Group on Technical Assistance. One of the goals of the mechanism for the review of implementation of the Convention (“Implementation Review Mechanism”) is to help States parties to identify and substantiate specific needs for technical assistance, and to promote and facilitate the provision of technical assistance. South-South cooperation falls under this provision.

4. This paper draws upon the background papers prepared by the Secretariat for the third session of the Conference of the States Parties to the Convention, namely “South-South cooperation in the fight against corruption” (CAC/COSP/2009/CRP.6) and for its fourth session that will be held in Marrakesh from 24 to 28 October 2011, titled “Technical assistance in support of the implementation of the United Nations Convention against Corruption” (CAC/COSP/2011/10). The latter provides an overview of the delivery by UNODC of technical assistance needs identified since the third session of the Conference of the States Parties to the Convention, and sets forth a strategic approach to meeting the priority technical assistance identified through the Implementation Review Mechanism. Specific reference is made to South-South cooperation, whereby in the context of UNODC efforts to facilitate technical assistance, there has been a growing emphasis on South-South cooperation, also referred to as South-South learning, which has emerged as an alternative or complement to more traditional development assistance structures.

5. The Secretariat has produced this background paper to assist the discussions during the item on technical assistance of the fourth session of the Conference of the States Parties to the Convention.

6. The purpose of this paper is to accumulate, assess and analyse relevant research material and data on South-South cooperation in the fight against

¹ UNDP, *Forging a Global South: United Nations Day for South-South Cooperation*, New York, 19 December 2004.

² Ibid.

corruption. The paper is divided into three main sections: firstly, the theory, purpose and function behind South-South cooperation; secondly, some case studies and examples of lessons learned; and thirdly, the relevance of South-South cooperation in anti-corruption efforts.

Section A: South-South cooperation — theory, purpose and function

7. Evidence suggests that learning and cooperation among developing nations in the South is increasing in both frequency and complexity.³ In sharing common backgrounds and challenges, people in developing nations are banding together as peers to find new and innovative solutions to development issues. This cooperation is expanding its scope away from purely trade and economic cooperation through regional bodies, to include a variety of topics such as health, education, communication and research.⁴

8. South-South cooperation in the field of anti-corruption remains in an early stage of development, and has been mostly linked to existing regional and sub-regional groupings. This form of cooperation was originally pioneered through the establishment of peer review mechanisms of regional anti-corruption conventions and initiatives.⁵ The sharing of ways in which to control the common problem of corruption is also becoming a feature of such cooperation, and will also be explored in this paper.

9. This section defines South-South cooperation (including triangular cooperation) and its history by focusing briefly on the rationale behind it. The contribution that South-South cooperation can make as an additional development modality to the traditional “North-South” cooperation is discussed, including its advantages and disadvantages, and the challenges and trends of this form of development assistance.

A. What is South-South cooperation?

10. At the outset, with reference to countries’ geographic dispositions, the use of the term “South” for developing countries collectively rests on the fact that all of the world’s industrially developed countries (with the exception of Australia and New Zealand) lie to the north of developing countries.⁶

11. Developing countries may vary in terms of social, economic and political development. However, all countries of the “global South” can be deemed to share or have shared a common set of vulnerabilities and challenges, and to this end, have a common interest in cooperating. Moreover, in sharing similar historical,

³ The World Bank Group, *Knowledge Sharing and Best Experiences for improving coordination among non-executive agencies of control and civil society in their fight against corruption* (Office Memorandum and Agenda), 12 June 2007.

⁴ Ibid.

⁵ U4 Anti-Corruption Resource Centre, *Expert Answer: South-South Anti-Corruption Mechanisms*, 5 March 2009.

⁶ UNDP 2004, op.cit.

geographical or economic backgrounds, less developed countries can greatly benefit from mutual dialogue, experience sharing and cooperation.⁷ Until relatively recently, the countries representing the Southern hemisphere had been less present at the global and regional levels, and had therefore also not been effective in mobilizing their considerable expertise and experience, or their bargaining power.⁸

12. South-South cooperation and learning is about developing countries working together to find solutions to common development challenges. This approach promotes closer technical and economic cooperation among developing countries, by for instance, employing experts from the South, sharing best practices from the South, and helping to develop a sense of ownership of the development process.⁹ It is also a means through which developing countries can diversify and expand their development options and economic links. Additionally, it provides a powerful tool for building new partnerships, and in the process, creating more democratic and equitable forms of global interdependence and global governance.¹⁰ The predominant and more traditional practice has been that South-South cooperation activities are mostly bilateral in nature, or triangular, when South-South cooperation is being supported by donors from the North.¹¹ However, a shift is also emerging that takes into account a collective South-South approach to addressing common issues.

B. Background to South-South cooperation

13. The agenda for cooperation among developing countries is rooted in their demands for political, economic and social equity and progress since the Second World War. The Bandung Conference of 1955 provided a forum for the formulation of a new diplomacy based on “positive neutralism or non-alignment”. This provided the space for newly emerging and independent States such as Egypt and China to align themselves with these ideas and culminated in the adoption of five principles of peaceful co-existence: mutual respect for each other’s territorial integrity; sovereignty; non-aggression; non-interference in each other’s internal affairs; equality and mutual benefits; and peaceful co-existence.¹² A voice to the agenda of cooperation among developing countries, ever since its creation in June 1964, has been the Group of 77 (G77) and China that includes all developing countries in the United Nations.¹³ The G77 and China is the largest group of developing states in the United Nations. It provides the means for countries of the South to articulate and promote their collective economic interests, enhance their

⁷ G77, *Marrakech Declaration on South-South Cooperation*, 2003. (www.g77.org/marrakech/Marrakech-Declaration.htm).

⁸ The South Centre, www.SouthCenter.org.

⁹ World Bank Institute, Tejasvi, A., “*South-South Capacity Development: The way to grow?*” Capacity Development, Briefs, February, Number 20, 2007.

¹⁰ Ibid.

¹¹ U4 2009, op.cit.

¹² SAIIA, “*Fifteen year review of South Africa’s role in promoting South-South Cooperation*”, 2008. A paper produced by the South African Institute of International Affairs for The Presidency, March. (http://www.thepresidency.gov.za/docs/reports/15year_review/irps/south-south_relations.pdf), (citing *The Penguin Dictionary of International Relations 1998*).

¹³ UNDP 2004, op.cit.

joint negotiating capacity on all major international economic issues within the United Nations system, and promote South-South cooperation for development.¹⁴

14. In addition to the G77, the creation of the United Nations Development Programme (UNDP), in 1966, was among the first of significant signs showing strong South-South collaboration. The UNDP's Global Cooperation Framework (GCF) strengthens the capacity of developing countries to learn from and use accumulated experience and knowledge on four critical dimensions of development: globalization; participation; growth and crises; and UNDP's global programmes and policy support. The last dimension provides for three key ways in which South-South cooperation can be promoted: (i) closer vertical integration, linking country, regional and global programmes so as to reinforce major policy shifts; (ii) closer geographic integration by promoting greater South-South exchange and cooperation across regions; and (iii) closer thematic integration by linking relevant themes and sectors in a more synergistic manner.¹⁵

15. The phrase "South-South cooperation" gained currency in the context of efforts by developing countries in the 1970s to negotiate agreements that would help close the widening economic gap between them and the developed countries (the North). The 1978 Buenos Aires Conference on Technical Cooperation among Developing Countries (TCDC) produced a Plan of Action with 38 recommendations, which can be summed up generically as follows:

- Developing countries should take stock of their available capabilities, skills and experience, and share information about themselves;
- They should establish and strengthen their expertise, institutions and arrangements, information flows, and transport and communications links necessary to pool their resources for the common good; and
- They should identify and make effective use of existing opportunities for cooperation, paying special attention to the needs of the least developed, landlocked and island developing countries.

16. South-south cooperation also came to the forefront in 1997, when the United Nations established a specialized Unit, namely the Special Unit for Technical Cooperation among Developing Countries (TCDC), to promote South-South trade and collaboration within its agencies. TCDC activities focused on building technical capacity among countries by way of training, exchanging experts, and sharing experiences and know-how.

17. In resolution 64/222 of 21 December 2009, the General Assembly adopted the Nairobi outcome document of the High-level United Nations Conference on South-South Cooperation that was held on 1-3 December 2009. This recognized "the increasing economic dynamism of some developing countries in recent years [that] has imparted greater energy to South-South cooperation, including through regional integration initiatives across the developing world, seen in, among other things, the creation of regional common markets, custom unions, cooperation in political fields, institutional and regulatory frameworks, and inter-State transport and communications networks. In that regard, they recognized the solidarity of

¹⁴ G77, *About the Group of 77*, www.g77.org/doc/.

¹⁵ UNDP 2004, *op.cit.*

middle-income countries with other developing countries with a view to supporting their development efforts, including in the context of South-South and triangular cooperation". Moreover, "South-South cooperation takes different and evolving forms, including, inter alia, the sharing of knowledge and experiences, training, technology transfer, financial and monetary cooperation and in-kind contributions". It was further stressed "that South-South cooperation, as an important element of international cooperation for development, offers viable opportunities for developing countries in their individual and collective pursuit of sustained economic growth and sustainable development".¹⁶

C. New reality, new name

18. In 2003, the name of TCDC changed to the Special Unit for South-South Cooperation. This name change reflected the new reality in international affairs, namely one recognizing the importance of South-South cooperation in a period of rapid globalization. The Unit's mission is to identify, promote and facilitate the transfer of information on institutions, expertise, technologies and practices between countries of the South or development initiatives.

19. In summary, the dynamics of cooperation among developing countries has been profoundly affected by globalization and dramatic changes in the world's ideological and technological map. Firstly, the end of the Cold War made globalization feasible and added urgent new imperatives to South-South cooperation. Whereas previously, global political and economic engagement had coalesced around a static, certain and predictably stilted and one-sided engagement between the North and South, the end of the Cold War and the ensuing power vacuum signalled the beginning of a significant paradigm shift. This challenged, on the one hand, the more traditional views about the reach of State power, and on the other, the value of effective multilateral institutions to mitigate the ensuing results of a less power-balanced world.¹⁷ Secondly, new information and communication technologies have opened up opportunities for such cooperation that is unprecedented in scope and potential. Thirdly, the interaction of businesses, civil society and non-governmental organizations (NGOs) into the South-South process has energized it, and broadened the predominantly economic and technological focus to include issues of governance, corporate responsibility and human rights.¹⁸ Today, the approach has become for South-South cooperation to embrace "a multi-stakeholder approach, including non-governmental organizations, the private sector, civil society, academia and other actors that contribute to meeting development challenges and objectives in line with national development strategies and plans"¹⁹.

20. Finally, the rise of developing countries has also brought with it the potential to explore a new dynamic in North-South relations, but also, and as important, South-South relations and cooperation. The growth of knowledge economies in

¹⁶ UNGA, *General Assembly Resolution 64/222 of 21 December 2009*, <http://southsouthconference.org/wp-content/uploads/2010/01/GA-resolution-endorsed-Nairobi-Outcome-21-Dec-09.pdf>.

¹⁷ SAIIA 2008, op. cit.

¹⁸ UNDP 2004, op. cit.

¹⁹ Ibid.

emerging donor countries has meant that more high-level cooperation among developing countries can occur, without expecting them to continue to be only consumers of innovation.²⁰

21. The way South-South cooperation is perceived has undergone a number of changes in recent years. Rapid economic growth of major developing countries, complex trade issues exacerbated by globalization, and growing capacities in various fields have given rise to a new era of partnership in the South. South-South cooperation is therefore gradually being integrated into the development strategy of a number of countries. The concept has moved beyond political rhetoric and timid practice to become an effective tool of economic development and foreign policy.²¹ It was also important to note that the impact of South-South cooperation is becoming a focus. There appears to be a shift in assessing such impact “with a view to improving, as appropriate, its quality in a results-oriented manner”²².

D. Triangular cooperation

22. South-South and triangular cooperation is also an integral part of international development cooperation and efforts to help developing countries achieve sustainable growth, stable development and become less dependent on external aid.²³ Triangular cooperation mostly refers to South-South collaboration supported by partners in the North. It has received more attention than South-South cooperation as a means to harness the expertise and experiences of developing countries, while taking advantage of support from Northern donors.²⁴ At present, triangular flows do not appear to be a significant part of the global development cooperation architecture, although the lack of data makes this difficult to ascertain.²⁵

23. In the Nairobi outcome document, which was adopted by the UN General Assembly in its resolution 64/222 of 21 December 2009, it was recognized that “the value of the increasing support provided by developed countries, international organizations and civil society to developing countries, upon their request, in improving their expertise and national capacities through triangular cooperation mechanisms, including direct support or cost-sharing arrangements, joint research and development projects, third-country training programmes and support for South-South centres, as well as by providing the necessary knowledge, experience and resources, so as to assist other developing countries, in accordance with their national development priorities and strategies” has been of importance. For this

²⁰ SAIIA 2008, op.cit.

²¹ G77/IFCC, *Current and Emerging Trends in South-South cooperation: 11th Meeting of the Intergovernmental Follow-Up and Coordination Committee on Economic Cooperation Among Developing Countries (IFCC-XI)*, Havana, Cuba, 21-23 March 2005, G-77/IFCC-XI/10 (<http://www.g77.org/ifcc11/docs/doc-07-ifcc11.pdf>).

²² UNGA, op.cit.

²³ UNECOSOC, *Report on Development Cooperation Forum*, 2008. Accessed on Civicus website at www.un.org/ecosoc/newfunct/pdf/DCF_pub_18_Sept.pdf.

²⁴ UNECOSOC, *Background Study for the Development Cooperation Forum: Trends in South-South and triangular development cooperation*, April 2008.

²⁵ Ibid.

reason, there was an invitation for “developed countries to support South-South cooperation through triangular cooperation, including for capacity development”²⁶.

24. Triangular development cooperation has been interpreted as the Organization for Economic Cooperation and Development/Development Assistance Committee (OECD/DAC) donors or multilateral institutions providing development assistance, mainly in the form of technical cooperation, to Southern governments to execute projects or programmes with the aim of assisting other developing countries. Southern countries are seen as having more relevant expertise and experience to meet developing country needs.²⁷ Through triangular cooperation, developed countries have provided vital support for South-South cooperation, particularly in the area of human resource development, research and institutional capacity-building.²⁸ In general, donor countries have preferred to facilitate South-South cooperation by supporting centres of excellence and knowledge networks. The most important lesson to be drawn from existing examples of triangular cooperation is that when facilities in developing countries have adequate resources, they can become centres of excellence.²⁹ With regard to anti-corruption, specific examples of South-South cooperation are included in Section B.

25. A paper by FRIDE (Fundación para las Relaciones Internacionales y el Diálogo Exterior) notes that in Latin America and the Caribbean, many conventional donors see triangulation as a creative funding mechanism in the face of the increasing scarcity of resource flows to the region. However, traditional donors have made rather few financial commitments to this scheme and it is not clear what amounts have already been disbursed.³⁰ For DAC members, triangulation poses several challenges, such as creating mechanisms to establish both rules for and inputs from each participating country, as well as joint planning processes, without generating high administrative and institutional costs. In addition, many Northern donors consider their participation not only in financial terms, but also as a way to contribute their expertise and support to capacity development in recipient countries.³¹ Beyond financing, triangulation schemes can provide two very important contributions to South-South cooperation, which will be highlighted in the next section.

26. Since the 1990s, developing countries are increasingly looking to learn from each other and “leap-frog” some of the development obstacles in their way. A number of middle-income countries in developing regions have become important providers of technical cooperation.³² These pivotal countries that are the hubs of South-South cooperation account for the bulk of the world’s population, include its fastest growing economies and have huge potential for trade and other forms of interaction among themselves. The largest of them are also gaining a voice in global governance,³³ such as through the Group of 20 (G20), “which has emerged as the

²⁶ UNGA, op.cit.

²⁷ Ibid.

²⁸ UNDP 2004, op.cit.

²⁹ Ibid.

³⁰ FRIDE, Betancourt, M. and Schulz, N-S., *South-South cooperation in Latin America and the Caribbean: ways ahead following Accra, Comment*, March 2009 (www.fride.org).

³¹ Ibid.

³² World Bank Institute 2007, op.cit.

³³ UNGA, *Promotion of South-South cooperation for development: a thirty-year perspective*,

pre-eminent forum for global consultations on international economic matters. In [inter alia] trade negotiations and talks on climate change, developing countries have emerged as make-or-break players”.³⁴

27. The G20, in the Declaration of the G20 Seoul Summit 2010, also stated that the Group should “lead by example in key areas as detailed in the Anti-Corruption Action Plan, including [inter alia]: to accede or ratify and effectively implement the UN Convention against Corruption and promote a transparent and inclusive review process”³⁵. There are also other forms of South-South cooperation emerging with sub-regional communities that are starting to establish relations across regions (Asia-Africa), while major developing countries are increasingly seeking to jointly coordinate their responses to common challenges (i.e. moving beyond economic relations to broader issues, including corruption). Further trends of South-South cooperation will be discussed briefly in Section C.

E. The India-Brazil-South Africa (IBSA) Dialogue Forum as an example of South-South triangular cooperation

28. The IBSA forum is an active example of South-South triangular cooperation. This was established in June 2003 to promote South-South cooperation and exchange. IBSA is a trilateral, developmental initiative between India, Brazil and South Africa. The body consists of a self-selected group of the three democratic countries that are each significant economic and political powers in their respective continents and regions. They each have a broader world-view, and the ability and power to provide leadership and engage with other developing countries in creating a South-South consensus on a number of international issues. IBSA members represent substantial markets, and generally, they exercise a stabilizing influence globally, and actively aspire to have a voice on international issues.³⁶

29. IBSA’s main objectives are:

- To promote South-South dialogue, cooperation and common positions on issues of international importance;
- To promote trade and investment opportunities between their three regions;
- To promote international poverty alleviation and social development;
- To promote the trilateral exchange of information, international best practices, technologies and skills, as well as to compliment each others’ competitive strengths into collective synergies; and
- To promote cooperation in a broad range of areas, namely agriculture, climate change, culture, defence, education, energy, health, information society,

Report of the Secretary General, A/64/504, 27 October 2009.

³⁴ Ibid.

³⁵ G20, *The G20 Leaders’ Declaration, November 11-12, 2010*, http://www.g20.org/Documents2010/11/seoulsummit_declaration.pdf.

³⁶ SAIIA 2008, op.cit.

science and technology, social development, trade and investment, and tourism and transport.³⁷

30. An example of South-South cooperation, among peer institutions within IBSA, occurred in 2008 when Management Development Institutions (MDIs) from India, Brazil and South Africa met to share ideas on public service innovations to improve service delivery, and innovative training and development programmes that reflect an indigenous response to public service challenges. One delegate, in providing the rationale for such cooperation, stated: “There is a compelling case for collaborating with peer institutions in other countries, especially peers from Southern countries which have more in common in terms of colonial histories, social disparities and public service challenges, albeit not on the same scale. This commonality is what draws us to together to not only draw upon and learn from each other but also to assume our responsibility at this level because it is well known that each of our countries are strong and prominent players in several realms in the global environment. Our responsibility here... is to contribute to the global knowledge network in terms of management and leadership training and development. Our aspiration is to begin a process whereby we may harness the valuable and engaging practices we have developed in our respective countries in response to our respective indigenous challenges and showcase these at global forums so as to enrich global knowledge and understanding of the value of indigenous solutions to indigenous challenges”³⁸.

F. South-South cooperation: an alternative to North-South cooperation?

31. South-South and triangular cooperation offer viable means to supporting developing countries to build national capacities, including the development of aid policies.³⁹ South-South cooperation is perhaps not to be regarded as an alternative to North-South development cooperation, but rather a complementary form that is evolving and developing into its own distinctive *modus operandi*. This complementarity was also highlighted in the UN General Assembly resolution 64/222 of 21 December 2009.⁴⁰ This complementary can help in meeting the needs of developing countries requesting assistance, particularly in the area of infrastructure, and importantly, to also be unencumbered by the contributor’s agenda.⁴¹ Of importance to cooperation is also the non-intervention into the internal affairs of partner countries.⁴²

32. The number of Southern development assistance contributors has grown with several developing countries taking steps to establish full-fledged development cooperation agencies while broadening the focus from mainly technical cooperation to more comprehensive development programmes.⁴³ Although the volume of

³⁷ Ibid.

³⁸ Muthayan, S., *IBSA Seminar Series: South African paper on country context*, 2008.

³⁹ Ibid.

⁴⁰ UNGA, *op.cit.*

⁴¹ UNECOSOC 2008^a, *op.cit.*

⁴² UNECOSOC 2008^b, *op.cit.*

⁴³ UNECOSOC 2008^a, *op.cit.*

South-South development cooperation remains limited, the relative decline in North-South development cooperation has made its growth seem more spectacular.⁴⁴ Nevertheless, there is some risk that South-South cooperation, in focusing on developing its identity (and discourse) in contrast to traditional cooperation, might complicate its complementarity with North-South cooperation. In general, more systematic and analytical work is required to assess the differentiating features behind the many expressions of South-South cooperation.⁴⁵ Like in the case of North-South cooperation, South-South cooperation also forms part of the foreign policies of the provider countries and it is therefore necessary to analyse and understand the interests and incentives behind them. In this context, further debate is needed on whether South-South cooperation risks following the same vertical structure found in North-South cooperation, especially when it takes place between countries at different levels of development.⁴⁶ With strong developing economies and its cooperation with programme countries, there is a risk that the power differential is similar to a North-South dynamic.⁴⁷

G. The nature of South-South development assistance

33. The United Nations Economic and Social Council (UNECOSOC) Background Study considers the nature of development assistance from Southern donors. Inter alia, it refers to: the types of assistance being provided; distribution of assistance; regional focuses; and allocation criteria.⁴⁸ The main types of Southern development assistance are project assistance and technical cooperation. However, as some States parties may be required to mainstream such principles into national policies, there may be a shift towards more programme-based development cooperation in the future. Regarding the distribution of assistance, geographical and political considerations have been major factors in the allocation of Southern development assistance, reflecting cultural and language links and strong opportunities for trade and investment. More recently, trade links have begun to play a highly significant role. Southern development cooperation has focused strongly on neighbouring regions or sub-regions, reflecting a better understanding of those countries' needs, similarities of language and culture, opportunities to improve trade, and lower administration costs. It also allows Southern contributors to focus strongly on regional projects, which programme countries have often pointed out are under-funded by Northern donors.

34. Almost all South-South development cooperation is in the form of project finance and technical assistance with little or no conditionalities attached. Around two-thirds of South-South development cooperation are provided as loans on concessional terms in line with programme country policies and therefore carry less risk of making debt unsustainable.⁴⁹ In addition, the bulk of Southern development assistance is tied to the procurement of goods and services from suppliers in the

⁴⁴ Ibid.

⁴⁵ FRIDE 2009, op.cit.

⁴⁶ Ibid.

⁴⁷ Ibid.

⁴⁸ UNECOSOC 2008^a, op.cit.

⁴⁹ UNECOSOC 2008^b, op.cit.

contributor country, although this does not necessarily mean at a higher cost or poorer standard. On the contrary, projects implemented by Southern contributors are often viewed by beneficiaries as a low cost, a good standard and completed on time. The untying of Southern assistance could potentially result in slower project completion, as it is to be noted that competitive bidding takes time.⁵⁰ Furthermore, similar to DAC-donors, Southern contributors' technical cooperation and emergency assistance is primarily tied, as it involves sending its nationals as experts to programme countries, funding programme country students to study at national institutions or to participate in training events, and providing emergency shipments of goods and medical experts to given countries.⁵¹

Section B: South-South cooperation — case studies and examples

35. Section B considers various South-South cooperation examples, which centre on anti-corruption initiatives that have emerged in recent years, and that are aimed specifically at strengthening the promotion and implementation of UNCAC. This section is divided into four parts: (i) networks, associations and regional programmes (including asset recovery and money-laundering); and (ii) review mechanisms of given conventions (including UNCAC and the Implementation Review Mechanism, the African Peer Review Mechanism, and the Inter-American Convention against Corruption and the Follow-up Mechanism for its Implementation).

A. Networks, associations and regional programmes

36. South-South cooperation in the fight against corruption is supported by the participation of countries in a number of networks, associations and regional programmes that allow members to share information and expertise. Several examples and networks focusing on asset recovery (such as the Stolen Asset Recovery (StAR) Initiative) and money-laundering groups that support South-South cooperation will be discussed in this part.

37. The Organisation for Economic Co-operation and Development (“OECD”) is active in strengthening and creating initiatives for South-South cooperation with an anti-corruption focus. Examples include the Asian Development Bank (ADB)/OECD Anti-Corruption Initiative for Asia-Pacific and the OECD-Latin America Anti-Corruption Programme.

38. The **ADB/OECD Anti-Corruption Initiative for Asia-Pacific** is a network that was launched in 1999. Today, 28 countries and economies of the Asia-Pacific region have committed to action against corruption; jointly they developed the Anti-Corruption Action Plan for Asia and the Pacific and work together towards its implementation. The Action Plan sets out the goals and standards for sustainable safeguards against corruption in the economic, political and social spheres of

⁵⁰ UNECOSOC 2008^a, op.cit.

⁵¹ Ibid.

countries in the region.⁵² The conclusions drawn from the last Regional Anti-Corruption Conference of the ABD/OECD Anti-Corruption Initiative for Asia and the Pacific held on 28–29 September 2011 in New Delhi were four-fold. Firstly, the Initiative encouraged multi-jurisdictional corruption investigations and prosecution, also through informal channels where possible to start such investigations. Second, Initiative Members should enable tax agencies to share information about corruption received from foreign tax authorities with their law enforcement authorities, and to enhance such an exchange of information, Members could enter into Memorandums of Understanding and recognize civil society organizations as also being a source of investigative leads in cross-border corruption cases. Third, public procurement was deemed an important area to focus on through anti-corruption and fair competition agencies, new technologies, such as e-procurement, comprehensive procurement laws, adopting integrity pacts and strengthening the capacity of procurement institutions. Four, the private sector was to also share more of the responsibility of tackling corruption in business transactions by adopting and implementing appropriate corporate compliance frameworks. Lastly, it was agreed that there should be a forum in which civil society, including the media can operate as they play an important role in anti-corruption reforms.⁵³

39. The **OECD-Latin America Anti-Corruption Programme** aims to strengthen the implementation and enforcement of international and regional anti-corruption conventions, such as the 1996 Inter-American Convention against Corruption and UNCAC, and to promote integrity in the Latin American region. Building on this, in 2007 the OECD and the OAS signed a memorandum of understanding establishing a framework for co-operation on anti-corruption efforts. The four Latin American Parties to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions—Argentina, Brazil, Chile and Mexico—form a bridge between the OECD, and other countries and organizations in the region and help carry out the Programme’s objectives.⁵⁴

40. Networking, capacity-building and knowledge sharing are the main activities of the **Anti-Corruption Practitioners Network (ACPN)**. It was initiated in 2006 to bring together a group of experts and practitioners working in national anti-corruption institutions or international organizations (namely, UNDP/UNODC) in Eastern Europe and the Commonwealth of Independent States (CIS). The network is serviced by a website, which is the principal working space of the network, and this contains information provided by its Members, and allows them to collaborate with each other to meet operational objectives. In order to be a Member, the ACPN questionnaire needs to be completed (<http://europeandcis.undp.org/anticorruption>). The goal of ACPN as an interactive tool is to address specific legal and operational problems of existing anti-corruption institutions in the countries of the region, and to support the development of new anti-corruption institutions. The network

⁵² OECD, *Supporting the fight against Corruption in Asia and the Pacific: The ADB/OECD Anti-Corruption Initiative*,

http://www.oecd.org/pages/0,3417,en_34982156_34982385_1_1_1_1_1,00.html.

⁵³ OECD, *Building Multidisciplinary Frameworks to Combat Corruption, 7th Regional Anti-Corruption Conference of the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific*,

<http://www.oecd.org/dataoecd/55/16/48787217.pdf>.

⁵⁴ OECD, *The OECD-Latin America Anti-Corruption Programme*,

http://www.oecd.org/document/33/0,3746,en_2649_34857_36437537_1_1_1_1,00.html.

maintains contact among participants and allows them to share information and technical advice. It also supports capacity development of anti-corruption agencies.⁵⁵

41. The **International Association of Anti-Corruption Authorities (IAACA)** was established on 22 October 2006 in Beijing at its First Annual Conference and General Meeting. The primary objective of IAACA is to promote substantive cooperation among anti-corruption agencies around the world. Currently, IAACA has more than 300 organizational members that are national authorities entrusted with the task of fighting corruption and more than 200 individual members, including prosecutors, investigators and experts with anti-corruption experience. IAACA also has a website (www.iaaca.org) that is currently being expanded.⁵⁶ The 5th Annual Conference and General Meeting of IAACA will be held in Marrakesh on 22-23 October, before the fourth session of the Conference of the States Parties to UNCAC.

42. The **East African Association of Anti-Corruption Authorities (EAAACA)**, established in November 2007 with a Secretariat in Uganda, brings together anti-corruption authorities from the following five countries: Burundi; Kenya; Rwanda; Tanzania; and Uganda. The main objective of the Association, which meets every year, is to promote, facilitate and regulate cooperation among East African countries in the fight against corruption and other related offences in the region. Other objectives, inter alia, include the facilitation of detection, investigation, freezing, tracing and repatriation of property or proceeds obtained through corruption, as well as to enhance witness and whistle blower protections.⁵⁷ During its last meeting held in Burundi on 20–21 June 2011, South-South cooperation and learning was promoted. This form of cooperation was held to be “a means through which African countries can diversity and expand their development options and economic links. It [also] provides a powerful tool for building new partnerships, and in the process, creating more democratic and equitable forms of global interdependence and global governance”⁵⁸.

43. Another initiative is the **National Anti-Corruption Institutions in West Africa (NACIWA)**. This encourages Member States to enhance their anti-corruption measures through the transfer of knowledge and methodologies inside and outside the region, as well as the creation of a common institution that would be responsible for the harmonization of laws and processes. Capacity-building and mutual assistance were key points highlight during its April 2011 meeting.⁵⁹

⁵⁵ UNDP, *Mainstreaming Anti-Corruption in Development: Update on UNDP Work on Anti-Corruption*, 2008; UNDP 2009, op. cit.; UNDP, *Europe and CIS, Activities in the Anti-corruption network*, <http://europeandcis.undp.org/anticorruption/show/F7D61018-F203-1EE9-B464496403D92466>.

⁵⁶ IAACA, *Brief Introduction*, http://www.iaaca.org/AboutIAACA/BriefIntroduction/201103/t20110316_513122.shtml.

⁵⁷ All Africa, *Regional Anti-graft body set up*, <http://allafrica.com/stories/200711110034.html>.

⁵⁸ EAAACA, *Regional Cooperation in Fighting Corruption*, The Africa Anti-Corruption Conference, 20-21 June 2011, http://www.eaaaca.org/docs/Kamanga_Regional%20Cooperation%20In%20Fighting%20%20Corruption-ECAAACA%20Conference%2020%20June%202011%5B1%5D.pdf.

⁵⁹ Africa Platform for Development Effectiveness, *National Anti-Corruption Institutions Urged to Maximise Network*, <http://www.africa->

44. **Global Organization of Parliamentarians against Corruption (GOPAC)** is another network; formed by a group of parliamentarians with the main objective of promoting good governance and combating corruption, and also highlighting the important role of parliamentarians in achieving the goals of the Convention. Its last meeting was held on 11–13 March 2011 in Mexico City at which the Group expressed the intention to, inter alia: pursue establishing chapters in countries that have ratified UNCAC and where parliamentarians seek to contribute to its effective implementation; and engage GOPAC members and other parliamentarians in the formal UNCAC review process.⁶⁰

45. The **Anti-Corruption and Integrity in the Arab Countries (ACIAC) Project** is an initiative supported by the UNDP and operates alongside the Arab Anti-Corruption & Integrity Network (ACINET). ACIAC's overall aim is to provide Arab stakeholders with the requisite tools to work on reducing corruption risks, and adopt better standards and practices in this field. It comprises of four main components: anti-corruption and integrity assessments; implementation of UNCAC; integrity in sectors that deliver basic services such as education, healthcare, water and energy; and anti-corruption in crisis-affected countries.⁶¹

46. A recent initiative promoted by the Government of Kenya was the **First South-South Anti-Corruption Regional Conference** that was held on 2-8 May 2011 in Mombasa. Delegations for 17 countries, as well as organizations, such as UNODC, the World Bank and International Centre for Asset Recovery, and other actors met to consider similar challenges facing South-South States. The purpose of the Conference was to foster trust and create mutually beneficial relationships in order to ensure that the necessary expertise can be utilized at different levels to efficiently and effectively implement UNCAC, to implement regional conventions and initiatives, and to fight corruption, in general.

B. Asset recovery

47. Addressing the problem of stolen assets is a great challenge. Even though countries as diverse as Nigeria, Peru and the Philippines have enjoyed some success in asset recovery, the process has been time-consuming and costly. In September 2007, the **Stolen Asset Recovery (StAR) Initiative** was launched jointly by UNODC and the World Bank with the objective to encourage and facilitate the systematic and timely return of assets stolen by politically exposed persons through acts of corruption, under the framework of UNCAC. StAR's work is built on four key pillars: empowerment; partnerships; innovation; and international standards.⁶² Success depends critically upon forging and strengthening partnerships among developed and developing countries, as well as other bilateral and multilateral agencies.

platform.org/news/20110405/national_anticorruption_institutions_urged_maximise_network.

⁶⁰ GOPAC, *IV International Conference of Global Organization of Parliamentarians against Corruption (GOPAC) — Summary of Resolutions*, http://www.gopacnetwork.org/Docs/Mexico/SummaryOfAllResolutionsMar2011_en.pdf.

⁶¹ UNDP Regional Bureau for Arab States, *Anti-Corruption and Integrity in the Arab Countries Project*, <http://www.undp-pogar.org/publications/ac/2011/aciac/overview-e.pdf>.

⁶² World Bank, *Stolen Asset Recovery (StAR) Initiative*, http://www1.worldbank.org/finance/star_site/#.

48. In addition to UNODC's database of asset recovery focal points, UNODC together with the World Bank and the StAR Initiative have contributed to the creation, support and strengthening of regional networks relating to asset recovery. Those networks are mainly informal and aimed at facilitating mutual legal assistance. The **Asset Recovery Inter-Agency Network of Southern Africa (ARINSA)** is an informal network founded in March 2009 and comprises of asset confiscation practitioners from nine States in Southern Africa. ARINSA focuses on sharing pre-mutual legal assistance information and on facilitating mutual legal assistance in the broader area of confiscation of the proceeds of crime.⁶³ The **Asset Recovery Network of the Financial Action Task Force on Money Laundering in South America (GAFISUD)** was established in 22 July 2010 as an informal network to promote international cooperation in asset confiscation. While comprised of the Member States of GAFISUD, its constitutive documents allow other States to become Members of the network. Its focal points afford one another informal operational assistance to the extent that such assistance is permitted by their respective jurisdictions. The **Ibero-American Legal Assistance Network (IberRed)** is a structure formed by contact points from the ministries of justice and central authorities, prosecutors and public prosecutors, and judicial branches of the 23 countries comprising the Latin American Community of Nations. It aims to optimize instruments for civil and criminal judicial assistance, and strengthening cooperation between countries. Specifically on asset recovery, IberRed has established several bilateral agreements in this area among its Members.⁶⁴

C. Money-laundering

49. The Financial Action Task Force (FATF) is an inter-governmental body whose purpose is to develop and promote policies to combat money-laundering and terrorist financing, both at the national and international levels. In order to achieve this, it established a series of Recommendations in 1990, revised in 1996 and in 2003, that consider the evolving threat of money-laundering, that set out the basic framework for anti-money-laundering efforts and that are intended to be universally applied. FATF also aims to generate the necessary political will to bring about national legislative and regulatory reforms in the area of money-laundering. FATF currently comprises 34 Member jurisdictions and 2 regional organizations (European Commission and Gulf Co-operation Council), representing most major global financial centres. It is to be noted that there are eight entities established throughout the world, known as FATF-Style Regional Bodies (FSRBs), or FATF Associate Members. These include: Asia/Pacific Group on Money-Laundering (APG); Caribbean Financial Action Task Force (CFATF); Eastern and Southern Africa Anti-Money-Laundering Group (ESAAMLG); EurAsian Group on Money-Laundering (EAG); GAFISUD; Inter-Governmental Action Group Against Money Laundering in West Africa (GIABA); Middle East and North Africa Financial Action Task Force (MENAFATF); and the Council of Europe's Committee of

⁶³ UNODC, *Towards an effective asset recovery regime: networks — Background paper prepared by the Secretariat (CAC/COSP/WG.2/2011/3)*, <http://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/workinggroup2/2011-August-25-26/V1183994e.pdf>.

⁶⁴ IberRed (Red Iberoamericana de Cooperación Jurídica Internacional), <http://www.iberred.org/search/node/recuperaci%C3%B3n>.

Experts on the Evaluation of Anti-Money-Laundering Measures and the Financing of Terrorism (MONEYVAL).⁶⁵ The principal functions of the FSRBs are:

- To facilitate the adoption, effective implementation and enforcement of internationally accepted standards against money-laundering and the financing of terrorism, in particular the FATF 40 Recommendations on Money-Laundering and Nine Special Recommendations on Terrorist Financing, as well as United Nations conventions and regulations;
- To establish systems for the protection of the financial systems of their Members from money-laundering and the financing of terrorism, including among others, systems for reporting suspicious and other transactions; and
- To promote mutual legal assistance and cross-border cooperation among their Members.

D. Mechanisms for the review of international legal instruments

50. South-South cooperation in the form of anti-corruption activities has until the adoption of Implementation Review Mechanism of the UNCAC centred on predominately the review of regional conventions.⁶⁶ This part will briefly consider examples from Africa and Latin America: the African Peer Review Mechanism (APRM); and Inter-American Convention against Corruption and the Follow-Up Mechanism for its Implementation (MESICIC).

The African Peer Review Mechanism (APRM)⁶⁷

51. An ongoing monitoring mechanism involving South-South cooperation is the African Union Peer Review Mechanism (APRM). This was established by the African Union as part of the New Partnership for Africa's Development (NEPAD). As of 1 January 2011, 30 countries had formally joined APRM by signing the Memorandum of Understanding on APRM.⁶⁸ APRM is an instrument voluntarily acceded to by African Union Member States, and focuses on functioning as an "African self-monitoring mechanism". Its primary purpose is to foster the adoption of appropriate laws, policies, standards and practices that lead to political stability, high economic growth, sustainable development, and accelerated sub-regional and continental economic integration. This goal is achieved through the sharing of experiences, reinforcement of successful and best practices, as well as identifying deficiencies and assessing the needs for capacity-building.⁶⁹

⁶⁵ FATF, *FATF Members and Observers*, http://www.fatf-gafi.org/document/52/0,3746,en_32250379_32236869_34027188_1_1_1_1,00.html.

⁶⁶ U4 2009, op.cit.

⁶⁷ Ibid.

⁶⁸ Algeria, Angola, Benin, Burkina Faso, Cameroon, Republic of Congo, Djibouti, Egypt, Ethiopia, Gabon, Ghana, Kenya, Lesotho, Liberia, Malawi, Mali, Mauritania, Mauritius, Mozambique, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, South Africa, Sudan, Tanzania, Togo, Uganda, and Zambia.

⁶⁹ APRM, *FAQs*, www.saiia.org.za.

52. The thematic areas of APRM are: democracy and political governance; economic governance; corporate governance; and socio-economic development. There are also four different types of reviews: a base review, which is a first review carried 18 months after a country becomes a Member; a periodic review that takes place every 2 to 4 years; a review that a Member State may request outside of the framework of the periodically mandated reviews; and if there are signs of political or economic crisis in a Member State, then there could be sufficient cause for commissioning a review.⁷⁰ From 2006 to 2011, 14 Member States have been peer reviewed.⁷¹

Inter-American Convention against Corruption and the Follow-Up Mechanism for its Implementation (MESICIC)⁷²

53. In 1996, OAS Member States adopted an anti-corruption legal instrument and in 2002, instituted a review mechanism, known as the Inter-American Convention against Corruption and the Follow-Up Mechanism for its Implementation (MESICIC), which focuses on preventing, detecting, punishing and eradicating corruption in the Americas.⁷³ MESICIC is a tool to support the development of the Inter-American Convention against Corruption (IACAC) through cooperation between States parties. IACAC specifically includes, as its underlying principle, the recognition of the international importance of corruption and the need for an instrument to promote and facilitate inter-country cooperation to combat it. MESICIC has the following goals and objectives:

- To promote and strengthen the development, by each of its States parties, of the mechanisms needed to prevent, detect, punish, and eradicate corruption;
- To promote, facilitate and regulate cooperation among the States parties to ensure the effectiveness of measures and actions to prevent, detect, punish and eradicate corruption in the performance of public functions and acts of corruption specifically related to such performance; and
- To facilitate activities of technical cooperation, the exchange of information, experiences and best practices, and the harmonization of States parties' legislation. These activities are of most relevance to a discussion on South-South cooperation where information exchanges and the sharing of best practices are to be mutually beneficial.

54. MESICIC has 31 States parties⁷⁴ who are part of a process of reciprocal evaluation, whereby particular provisions of IACAC are selected for each review

⁷⁰ APRM, *About APRM*, <http://aprm-au.org/about-aprm>.

⁷¹ NEPAD Planning and Coordinating Agency, *African Peer Review Mechanism*, <http://www.nepad.org/economicandcorporategovernance/african-peer-review-mechanism/about>.

⁷² OAS, *Anti-Corruption Portals of the Americas*, <http://www.oas.org/juridico/english/FightCur.html>.

⁷³ OAS, *The Convention and MESICIC*, FAQ, http://www.oas.org/juridico/english/faq_ac.htm#1.

⁷⁴ Antigua and Barbuda, Argentina, Bahamas, Belize, Bolivia, Brazil, Canada, Colombia, Costa Rica, Chile, Dominican Republic Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, United States of America, Uruguay and Venezuela.

round. During the eighteenth meeting on 21-25 March 2011, the Committee agreed during the fourth round, other than following-up on recommendations of the first round, on the comprehensive analysis of “oversight bodies, with a view to implementing modern mechanisms for preventing, detecting, punishing, and eradicating corrupt acts” (Article III, paragraph 9, IACAC).⁷⁵

Section C: Lessons Learned — South-South cooperation and the fight against corruption

55. In this final section, the paper will briefly describe the relevant advantages of South-South cooperation, as well as some of the challenges. It will also consider emerging trends and how these can potentially impact positively on the implementation of UNCAC.

A. Advantages of South-South cooperation

56. In terms of the big picture, South-South cooperation has been successful in both decreasing dependence and pressure on the aid programmes of developed countries and in creating a shift in the international balance of power.⁷⁶ For one, the relative absence of conditionalities attached to development cooperation, is attractive to programme countries in the South. Whereas Northern assistance flows often come with policy strings attached, Southern development cooperation is seen as more flexible and less restrictive.⁷⁷ However, as in North-South cooperation, it is imperative that programme countries show leadership by defining their own priorities and needs so that a new type of power by Southern donors does not simply replace the North-South model.

57. A frequently stated advantage of South-South development cooperation is that it provides better value-for-money than assistance by Northern donors, and it is seen as more cost effective.⁷⁸ Cost effectiveness is achieved in several ways: through access to less expensive financing; lower labour costs; higher productivity; cheaper procurement of materials; and the transfer of more appropriate technology. While it is possible to find examples that either support or disprove the contention of better value-for-money through South-South cooperation, a study of Chinese construction and infrastructure projects in four African countries — Angola, Sierra Leone, Tanzania and Zambia — provides illustrative information on these aspects.⁷⁹ Another potential advantage of Southern development assistance is that it is viewed as being less encumbered by procedural and administrative delays, and that there are fewer administrative procedures.

⁷⁵ OAS, *Methodology for the Review of the Implementation of the Provision of the Inter-American Convention against Corruption Selected in the Fourth Round and for Follow-Up on the Recommendations Formulated in the First Round*, http://www.oas.org/juridico/PDFs/metod_IVronda_en.pdf.

⁷⁶ Global Envision, *South-South Cooperation Defies the North*, www.globalenvision.org/library/3/1371.

⁷⁷ UNECOSOC 2008^a, op.cit.

⁷⁸ UNDP 2004 op.cit.

⁷⁹ UNECOSOC 2008^a, op.cit.

58. Most importantly, reviews of technical cooperation suggest that South-South learning is often more effective in developing capacity than one-way knowledge transfers from the North.⁸⁰ Also, in the case of the training on asset forfeiture conducted by South Africa in the region, this was well received by practitioners who could relate closely to the South African context and experiences of this type of anti-corruption activity. An awareness of and openness to this type of self-learning activity among donors can alter some of the traditional views of merely providing technical cooperation and assistance to the “global South” with respect to anti-corruption and governance activities.

B. Challenges for South-South cooperation

59. At both a conceptual and operational level, there is a need to strengthen the thinking and action around South-South cooperation. Despite its long history, there is still little data and analysis on the subject and the systematization of practice and learning is still pending. It is therefore imperative to invest in better information systems, statistics, reporting and monitoring, and evaluation systems.⁸¹ Another central issue of these evaluations would be to gather “lessons learned”, since South-South cooperation is also facing challenges with regard to economies of scale and adapting to national and local contexts.⁸² The lack of both resources and information about developing countries is widely perceived to be an obstacle to South-South cooperation. Additionally, effective mechanisms and institutions to coordinate and manage South-South cooperation have not been sufficiently developed. For instance, more governments need to create national databases of experts and capabilities in the South.⁸³ This is starting to happen in the field of anti-corruption with UNODC facilitating an anti-corruption expert database including Southern experts.

60. Overall, the monitoring and evaluation systems of Southern bilateral contributors seem to be largely concerned with the timely completion of projects and less with longer-term perspectives on the sustainability or wider development impact of projects.⁸⁴ While Southern contributors may be able to implement projects faster and at lower costs, there are also other factors (i.e. environmental, human rights) that need to be taken into account. This is an important policy challenge facing Southern contributors (as well as Northern donors).⁸⁵

61. Knowledge sharing is an essential component of cooperation for development and despite its relevance for development, the extent of knowledge sharing among Southern countries is still limited. Such exchanges lead to the identification of potential opportunities for cooperation, which in turn will not materialize without continuous sharing. Thus, a process is needed to facilitate the exchange of information and enhanced analysis, through which other development actors can learn the positive lessons from South-South and triangular development

⁸⁰ World Bank Institute 2007, op.cit.

⁸¹ FRIDE 2009, op.cit.

⁸² Ibid.

⁸³ UNDP 2004, op.cit.

⁸⁴ UNECOSOC 2008^a, op.cit.

⁸⁵ Ibid.

cooperation, especially in the technical assistance/capacity development, infrastructure, regional programmes and the rapid delivery of development results. One such initiative was the Kenyan-led initiation to host the First South-South Anti-Corruption Regional Conference in Mombasa this year. In recognizing that South-South cooperation is a complement to North-South cooperation, these lessons could be used to arrive at more widely agreed upon development cooperation practices and objectives, and to help programme countries access and use the best available assistance through a nationally-owned framework.⁸⁶ Another major challenge is to integrate the leadership of the players that are mobilizing more funds for South-South cooperation and have greater influence in international forums.⁸⁷

C. Emerging trends

62. In recent years, the emerging global economic and political power of some of the bigger developing countries has the potential to reshape both South-South and traditional North-South engagement in a way that is much more responsive to the aspirations of the developing world than in the past.⁸⁸ Several new trends have emerged, including the better organization of major Southern contributors in the delivery of development assistance and a more systemic approach to South-South cooperation.⁸⁹ The reality is that Southern development cooperation is expected to increase substantially in the future, if Southern contributors pursue current intentions for scaling-up such support. For this, an improved quality of data would be expected to lead to more accurate estimates of Southern development assistance flows, including information on triangular development cooperation.⁹⁰

63. Another trend has been the development of decentralized South-South cooperation where cooperation usually takes place outside the government purview and involves local government or elected bodies. There is also a trend towards sub-regional communities establishing relations (i.e. Asian-African Sub-Regional Organization Conference) and major developing countries from different regions such as India, Brazil and South Africa, teaming up to address common problems or coordinate their response for common challenges. Finally, large Southern countries are putting in place frameworks of cooperation that would allow them to formulate collaborative arrangements with multiple developing countries across regions; for example, under the Smart Partnership Initiative, Malaysia is partnering with a number of African countries.⁹¹ Consultation prior to the delivery is also part of this effort to systematize South-South cooperation where for instance Brazil consults annually with Latin American and Caribbean countries before drawing up its cooperation programmes funded nationally and from multilateral sources.⁹²

64. The current financial crisis is leading to profound global changes, casting doubt on the development model that has been applied to date and leaving room for

⁸⁶ UNECOSOC 2008^b, op.cit.

⁸⁷ FRIDE 2009, op.cit.

⁸⁸ SAIIA 2008, op.cit.

⁸⁹ G77/IFCC 2005, op.cit.

⁹⁰ UNECOSOC 2008^a, op.cit.

⁹¹ G77/IFCC 2005, op.cit.

⁹² Ibid.

new and creative solutions. In this complex context, South-South cooperation can be very important for the development of national capacities, which are proving crucial given that States are resurging as central actors in the global and national economies.⁹³ However, there are some risks in this new context: similar to the ones from the north, Southern providers can be affected by the need to reduce costs and therefore limit resources for South-South cooperation; and conventional donors may promote South-South cooperation as a means to cut funding for development aid from the North and therefore “invite” the South to fill financing gaps.⁹⁴

65. Groups such as the G77 are increasingly becoming successful in sharing solutions to common problems and learning from successful peers. This success can be attributed to the following three factors: (i) growing acceptance of the legitimacy of peer learning; (ii) rapid technological progress, which has made global communication more effective; and (iii) expanding trade among developing countries that has also contributed to these knowledge exchanges through increased travel, improved communications and migration.⁹⁵

D. UNCAC and South-South cooperation

66. It is clear that there is much benefit to be gained from sharing experiences among countries in the “global South” that are committed to implementing UNCAC. This has been demonstrated amply by the case studies and examples captured in Section B. UNCAC and specifically, the Implementation Review Mechanism provide a platform for cooperation. It provides both political and peer pressure, and sensitizes key stakeholders across sectors to the issues. There is a demand for technical assistance around UNCAC that is being recognized and responded to. South-South learning provides a number of valuable aspects including building trust among developing countries through networking and over and above material resources, providing solidarity and support to other practitioners who share a common set of challenges.

67. The UNCAC model works at a number of different levels. It provides a comprehensive and coherent framework for domestic, regional and international action against corruption. It contains concrete provisions which require States parties to put in place measures, rules and regulations for establishing the structures to prevent corruption and the tools for implementing an effective regime, including in the field of asset recovery and international cooperation. The Implementation Review Mechanism has a pivotal role to play in ensuring the efficient and effective implementation of the Convention, highlighting also successes and good practices, challenges and technical assistance needs. It is a commitment by all States parties that provides the basis for a legitimate dialogue for technical assistance providers with States parties. At the national level, in implementing UNCAC a domestic dialogue is also put in motion by ideally bringing all stakeholders around the table to discuss ways in which to tackle corruption.

⁹³ FRIDE 2009, *op.cit.*

⁹⁴ *Ibid.*

⁹⁵ World Bank Institute 2007, *op.cit.*

E. Conclusion

68. South-South learning and cooperation is expanding along with South-South trade. It has an important role to play in creating solidarity between developing countries and providing them with creative resources to address common challenges, including fighting corruption. However, certain basic conditions need to be in place for cooperation to be constructive and useful; this depends on various factors, and they apply equally to South-South cooperation and North-South cooperation.

69. Successful cooperation rests on respect, equality, mutual benefit and credibility through delivering on commitments. The close ties of many developing countries, as well as similar economic situations and a shared understanding of the development policies needed in their respective contexts contribute to effective South-South cooperation. It allows developing countries to address common objectives, agree jointly on partnerships and take advantage of the experience of peers at similar levels of development. Tenets for effective South-South cooperation include, among others:

- Respecting the sovereignty of programme countries;
- Adapting good practices to specific conditions of individual countries;
- Starting out small with projects and programmes that are country-led and country-integrated;
- Sharing the comparative advantage of different development actors and technical assistance providers; and
- Utilizing existing authoritative comparative mechanisms, such as the United Nations and specifically in the anti-corruption area, UNCAC, the Implementation Review Mechanism and relevant regional mechanisms and initiatives.⁹⁶

70. In reference to the last bullet point, support from the international community for South-South cooperation, particularly at the operational level, is sometimes wanting. Since it is exceedingly difficult, at times, for national actors to engage with partners from the South, regional and international aid agencies could enhance the visibility of mechanisms to connect developing countries with regional and international actors.⁹⁷ To remain a major actor in the global development scenario, international development organizations will need to adjust to the new environment, in which developing countries are major suppliers of knowledge and capacity services. It is clear that the South is looking to its peers for knowledge and assistance, and international development organizations can leverage these interactions between developing countries, and support the emergence of a knowledge-sharing paradigm.⁹⁸

71. The future progress and consolidation of South-South cooperation depends largely on the development of the national capacities of the provider countries. As

⁹⁶ UNECOSOC 2008^b, op.cit.

⁹⁷ Ibid.

⁹⁸ WBI 2007, op.cit.

such, firstly, it is necessary to strengthen national agencies in their management capacities, preventing rotation and promoting professionalization. Secondly, greater investment in knowledge and training is required, including academic programmes. Finally, the public policies and strategic planning of South-South cooperation should be promoted, including by anchoring it in the relevant institutions and integrating it in government policies. The Paris Declaration on Aid Effectiveness and Accra Agenda for Action might also be best promoted through South-South cooperation rather than the more traditional forms of cooperation.

72. The key issue arising from the studies on South-South cooperation is how to further strengthen the role of Southern contributors in shaping the international development cooperation agenda. Southern contributors require a forum that enables them to proclaim their views, separately from those of Northern donors and programme countries. With a growing number of developing countries cooperation with each other, it is vital to identify suitable and practical mechanisms to propel this alternative approach forward and to coordinate efforts in a more structured manner.⁹⁹ The Kenyan-led initiative of the First South-South Anti-Corruption Regional Conference lends itself to this. There is also scope for traditional North-South development cooperation actors to emulate some of the successful principles of South-South cooperation.¹⁰⁰

73. Finally, the case studies and examples in Section B pointed to several key success factors for South-South cooperation to work in practice; namely, strong partnerships, committed leadership, incentives to cooperate, relevance and responsiveness, sustainability and political will. These are important factors to bear in mind for future South-South cooperation around UNCAC implementation.

⁹⁹ UNECOSOC 2008^b, *op.cit.*

¹⁰⁰ *Ibid.*