

# Technical cooperation among developing countries

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> REVIEW OF PROGRESS MADE IN IMPLEMENTING THE BUENOS AIRES PLAN OF ACTION, THE DECISIONS OF THE HIGH-LEVEL COMMITTEE AND THE RECOMMENDATIONS OF THE SOUTH COMMISSION

#### SUMMARY

The present report is submitted in compliance with paragraphs 2, 3 and 6 to 8 of decision 9/1 of the High-level Committee on the Review of Technical Cooperation among Developing Countries regarding:

(a) Information on progress achieved in activities of Governments relating to technical cooperation among developing countries;

(b) Progress made by the United Nations development system in implementing the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries, including action on recommendations of the South Commission.

The report contains an analysis of the information received by the Special Unit for Technical Cooperation among Developing Countries, a summary of the emerging trends in technical cooperation among developing countries in the biennium under review and the conclusions and recommendations of the Administrator of the United Nations Development Programme.

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# I. INTRODUCTION

1. The biennial meeting of the High-level Committee on the Review of Technical Cooperation among Developing Countries provides an opportunity for a detailed analysis and review of progress made in the implementation of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries,<sup>1</sup> as well as of the recommendations of the South Commission. The present report has been prepared to facilitate such analysis and review. The methodology for its preparation has been the same as for previous reports. The Special Unit for Technical Cooperation among Developing Countries information from member countries, both developing and developed, from the regional bureaux and other divisions and units of the United Nations Development Programme (UNDP), from the organizations of the United Nations that are especially active in the area of technical cooperation among developing countries (TCDC).

2. Accordingly, the Special Unit sent out five sets of questionnaires in October 1996 soliciting information from countries and from a number of organizations both within and outside the United Nations system. By the end of February 1997, 62 developing and three developed countries, five UNDP regional bureaux, 18 organizations of the United Nations development system and 22 intergovernmental or non-governmental organizations had responded to the requests for information. A list of the countries and organizations responding appears in the annex to the present report.

3. In keeping with the wish expressed by the Committee in its decision 7/5,<sup>2</sup> the present document represents a distillation of the responses received, which are diverse in nature and vary in terms of their comprehensiveness. The present report also includes a report on the progress made in the implementation of the relevant recommendations of the report of the South Commission,<sup>3</sup> in keeping with Committee decision 8/1.<sup>4</sup>

4. On the basis of the information received from countries, as well as from other sources, it is possible to discern a few general trends in the promotion of TCDC and the application of this modality to the development effort. These trends are described in chapter II below. The activities supported by UNDP itself are discussed in chapter III, while those of other organizations of the United Nations system appear in chapter IV. The final chapter contains the conclusions and recommendations of the Administrator of UNDP.

# II. INFORMATION FROM GOVERNMENTS ON THEIR ACTIVITIES IN TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

# A. <u>Introduction</u>

5. The Governments of the developing countries were requested, on the one hand, to provide information on the extent of their internalization of TCDC and on the array of policies, mechanisms and resources that sustained the process of promoting and giving full effect to this modality of cooperation, as well as the

constraints they faced in this regard. On the other hand, they were also asked to provide information on any external arrangements or linkages they might have established in the context of TCDC.

6. The Governments of the developed countries were invited to state their policy with regard to TCDC, and whether they supported such activity either directly or indirectly. The non-UNDP organizations of the United Nations development system were requested to indicate the degree to which they utilized or supported TCDC in their development activities and to assess, from their knowledge and practical experience, the extent to which this modality was being applied.

7. The following paragraphs contain a summary of the TCDC policies and activities of the reporting countries.

# B. <u>Developing countries</u>

- 1. Internal institutional and other arrangements for giving effect to technical cooperation among developing countries as a development strategy
- (a) <u>Activities to promote increased awareness and understanding of technical</u> <u>cooperation among developing countries</u>

8. All the countries responding recognized that a solid understanding of the concept of TCDC, its procedures and its mechanisms is a prerequisite for formulating effective TCDC policies. In this context, they stressed the importance of ensuring that those having responsibility for executing these policies should be appropriately equipped to do so. For this purpose, considerable emphasis was placed, particularly by the private sector and non-governmental organizations, on sensitization programmes in the form of workshops or orientation seminars. Four countries reported having held such national sensitization activities in 1996. Also in that year, the Governments of Ethiopia and Guyana held workshops, with significant participation by other Governments and by organizations in their respective regions.

# (b) <u>National focal points</u>

9. Most of the countries responding indicated that they had already established their national focal point for TCDC. Exceptions include Dominica, Lebanon, Palau, the Sudan and the Syrian Arab Republic. The Gambia reported progress in its efforts to establish its focal point. Colombia reported that it had made the necessary legislative arrangements in September 1996 for establishing a separate entity, the Colombian Agency for Technical Cooperation.

#### (c) <u>Identification of capacities and needs</u>

10. The need for adequate and up-to-date information on the capacities and needs of countries in the area of technical cooperation was also recognized by the responding countries. At the present time, approximately 70 countries have prepared compendiums of their capacities and needs. The Information Referral

System for Technical Cooperation among Developing Countries (TCDC-INRES) has been extremely helpful in this regard, and good use is being made of it by a number of developing countries and relevant United Nations organizations. Some countries, for example, China, Indonesia, Malaysia and Singapore, have announced training opportunities through the periodic use of bulletins.

11. A significant number of countries have stressed the need to ensure that national focal points are enabled to enjoy the benefits of the TCDC-INRES database. This has been widely distributed but its use is constrained in some cases by the lack of computer facilities at the disposal of many Governments.

# (d) Provision of financial resources for technical cooperation among developing countries

12. Except where direct TCDC allocations are made, it is difficult to make an accurate statement of the level of resources that countries dedicate to TCDC. In some cases, the allocation for TCDC is not separately identified from the budgetary allocation for the overall operations of the national focal point as an agency of the Government, and since there may not be a detailed system of accounting, it is difficult to determine how much is being dedicated to the actual promotion of TCDC. The cost of in-kind contributions, which in some cases are considerable, is also seldom assessed. In addition, there is a significant body of activity taking place which properly qualifies as TCDC, but for which the costs are not met from the central budget, but rather from the budget of one or other training institution or institution of higher learning. This is the case in Ethiopia, Indonesia, Pakistan and Singapore, among others. Some TCDC activities are supported under UNDP country programmes, but usually there are relatively small allocations under specific projects. Where there are projects in which some elements are executed through the use of the TCDC modality, it is difficult to estimate the value of the TCDC component.

13. Despite these difficulties, a few countries have attempted to provide information on their TCDC expenditure. It should be noted, however, that some countries that have significant involvement in TCDC activities have not provided information on resources allocated by them for TCDC.

14. In addition to the resources they commit to TCDC on a bilateral basis, some countries also make allocations for TCDC under a regional budget. This is the case with Argentina, Brazil and Mexico, which make resources available to the Organization of American States (OAS) for horizontal cooperation. Colombia and Mexico also have special cooperation programmes with Central American and Caribbean countries. The Republic of Korea is an interesting case in this regard; whereas a little over a decade ago it was a recipient country, it is now a substantial provider of technical cooperation to developing countries. In addition to its own bilateral programmes, the Republic of Korea also contributes to the TCDC fund in the Economic and Social Commission for Asia and the Pacific (ESCAP).

# 2. <u>Constraints</u>

15. The responses reveal the existence of a number of constraints facing countries in their efforts to put appropriate TCDC machinery in place and to implement TCDC policies. Chief among these is an insufficient awareness, in some cases, of the full potential of TCDC - why it is important for countries, what are its procedures and what are the mechanisms for putting TCDC policies into effect. This phenomenon is observed even at the governmental level. Not unrelated to this deficiency is the frequent absence of a clearly articulated national policy on TCDC. Only a few countries reported having such a clearly defined policy, wherein TCDC is stated as a strategic national objective. Without such an overarching policy framework, it would be difficult to ensure a consistent and systematic set of policies for the promotion of TCDC.

16. There is also a lack of coordination among the various governmental agencies involved in technical cooperation. One dimension of the problem of lack of coordination is seen in the compartmentalization in the handling of TCDC among the various agencies of the same Government. This gives rise to overlapping jurisdictions and, inevitably, to inefficient use of resources. Some countries have tried to eliminate this problem by setting up high-powered coordinating committees or boards to provide policy guidance to the TCDC focal point.

17. While the concept of TCDC has gained widespread acceptance, it must still compete with the predominance of traditional North/South notions of cooperation. A special effort will therefore need to be made to ensure that the application of TCDC is given first consideration in technical cooperation activities, in keeping with the provisions of Economic and Social Council resolution 1992/41 of 30 July 1992.

18. Almost all reporting countries have complained that the effectiveness of their national focal points is often limited by inadequate human and financial resources. This is particularly acute in the case of the less developed countries, which have fewer options in terms of the allocation of their scarce resources.

19. The combined effect of the foregoing factors is often a weak national focal point that performs less than adequately the tasks of coordination and management required for the successful execution of TCDC activities.

# 3. Bilateral and multilateral engagements in technical cooperation among developing countries

20. Based on the information received, a description of the bilateral TCDC economic cooperation among developing countries (ECDC) relations of 27 countries has been compiled to reflect the broad scope of such cooperation. The greater part of TCDC exchanges takes place within the framework of bilateral and subregional arrangements in fields as diverse as economic and trade relations, culture, education, and science and technology, and involve cooperation between Governments and the private sector or other institutions. According to the responses received, the TCDC modality most frequently employed has been the

capacity and needs matching exercise. By this means, representatives of governmental or other agencies of one country are put in contact with their counterparts from other countries, often resulting in the conclusion of mutually satisfactory agreements, some of which have developed into ongoing relationships. A common practice is the creation of joint commissions among countries to promote TCDC. By way of illustration, Argentina, Benin, Brazil, Chile, China, Colombia, Ecuador, Indonesia, Mexico, Pakistan, Peru and Tunisia have set up such commissions with collaborating countries.

21. The following is an indication of the scope of the TCDC activities carried out by various countries. Four cases of countries at various levels of economic development and utilizing different TCDC modalities are considered. Benin, for example, is seeking technical cooperation with the Niger in railways; with Ghana and Togo in electricity; with China in textiles, agricultural machinery and rice cultivation; with Cuba in health; with the Democratic People's Republic of Korea in printing; with Nigeria in cement, sugar and agriculture; with Burkina Faso in veterinary health and port management; and with Malaysia in palm oil.

22. Colombia, which is largely a provider of technical cooperation, is also a beneficiary of such cooperation. In the biennium in question it provided experts to Guatemala, Guyana and Honduras in the area of social development; it provided experts on public administration to Honduras; held training courses on technical and scientific cooperation in El Salvador, Guatemala and Honduras for 90 participants; and sent eight experts in various disciplines to El Salvador. In Central America and the Caribbean, it also executed TCDC programmes with support from the International Organization for Migration and OAS. It received eight experts in various fields from Argentina and concluded cooperation arrangements for mutual benefit with Brazil, Chile and Venezuela.

23. The TCDC modality features prominently in Haiti's reconstruction programme. The Governments of Argentina, Bolivia, Chile, Costa Rica, Cuba, the Dominican Republic, Honduras, Mexico, Nicaragua, Uruguay and Venezuela are involved in the reconstruction of the country on a TCDC basis. In every sector of political and economic organization, the collaborating countries are funding diverse forms of cooperation to Haiti. The successful conclusion of the large number of TCDC arrangements between the participating Latin American and Caribbean countries under the Haitian capacity and needs matching exercise, which was held in November 1995, was significant enough to merit reference in the report of the Secretary-General to the General Assembly.

24. The last example is Cambodia, which has been the beneficiary of services provided by many developing countries in the Asian region. Cambodians have attended workshops in China, Indonesia and Singapore, and have received training in areas as diverse as population planning, gender issues, telecommunications and warehousing, supported by country projects, funds of the Special Unit for Technical Cooperation among Developing Countries or by the collaborating country or institution. Cambodia has also received offers of cooperation from the Governments of India, the Philippines and Thailand as it undertakes the massive effort of reconstruction through, among other techniques, the application of TCDC.

25. Training has been a significant TCDC activity in the period under review. It is the main tool for the transfer of technology and skills and thus for the development of human resources, as well as for effective development administration in the developing countries. Regional organizations such as ESCAP, the Asian Development Bank, the Inter-American Development Bank and OAS have been active in this area. While the exchange of experts between developing countries has vastly expanded, the shortage of financing prevents a more extensive use of this modality.

26. Regional and intergovernmental organizations have been playing an active role in promoting TCDC. In Latin America and the Caribbean, the Latin American Economic System (SELA) has continued to function with particular dynamism as the regional focal point, coordinating efforts to strengthen not only intraregional cooperation, but also interregional cooperation on issues of common interest.

27. The meeting of Asian national focal points held in Singapore in January 1997 recommended intensified exchanges at the regional and subregional levels, wider dissemination of TCDC-INRES and increased resource mobilization for TCDC.

28. In April 1995, a regional focal point meeting was held in Ghana. At the meeting, the new directions strategy was endorsed, the roles of regional and subregional organizations in promoting TCDC underscored and the strengthening of national focal points emphasized. ESCAP and the South Pacific Forum have also been active in the promotion of TCDC in the Pacific region.

29. Missions for the purpose of discussing and promoting TCDC exchanges take place on a fairly frequent basis, organized by either those providing or those seeking technical cooperation. These missions take place at various levels, according to the importance attached to them.

#### C. <u>Developed countries</u>

30. Without necessarily having clear policy positions for promoting TCDC, the three developed countries that responded to the request for information on TCDC all gave support to several programmes and projects that seek to promote cooperation among developing countries through the use of the TCDC modality. Austria follows a number of special guidelines for South-South cooperation in the field of higher education. Its cooperation programme with Cape Verde stipulates support for study by Cape Verdeans in Brazil. The support that Austria gives to the countries belonging to the Southern African Development Community for railway, management, minerals processing and small and medium-sized enterprises - more than 14 million schillings since 1992 - and the fellowships it provides to institutes in Brazil, Thailand and Uganda - 16 million schillings - are also significant contributions to TCDC.

31. Through the United Nations Population Fund (UNFPA), the Netherlands provides support to a family planning programme managed by Indonesia. The Netherlands also supports, to the extent of 10 million guilders a year, a number of institutions of higher learning and training in 10 developing countries in Africa, Asia and Latin America and the Caribbean. It has initiated new long-

term collaborative research programmes in seven developing countries, and each year finances the attachment to international organizations of 50 junior professional officers from developing countries to work in other developing countries.

32. Even though there was no specific mention to this effect in the response received from the Netherlands, it is known that the country, along with other developed countries, such as Japan, participates in triangular arrangements, whereby the services of suitable developing countries are utilized to deliver a technical cooperation input to another developing country.

33. The Ministry of Cooperation of France is active in 37 countries, in particular in francophone Africa, and it follows a TCDC promotion policy with the following features:

(a) At the bilateral level, it finances triangular cooperation with non-governmental organizations, the private sector or Governments, and supports the activities of regional and subregional institutions;

(b) At the multilateral-bilateral level, it provides co-financing for projects, for example, the Foundation for Capacity Strengthening in Africa;

(c) At the multilateral level, it provides support for human resources development and South-South exchanges of experiences.

34. The programme known as OHADA (Organisation pour l'harmonisation en Afrique du droit des affaires) in which 16 African countries are involved, was started in 1994. Under this programme, cooperation between countries of the region in rice cultivation, teaching and education, information exchange, and administrative and legal reforms is financed by France. This country has also supported a special cooperation programme in Central America.

# III. ACTIVITIES SUPPORTED BY THE UNITED NATIONS DEVELOPMENT PROGRAMME

35. The present chapter discusses the TCDC activities carried out by the Special Unit for Technical Cooperation among Developing Countries and other bureaux and units within UNDP. The headquarters units were requested to pay special attention to policy instructions, how TCDC activities were monitored, operational constraints and how they were overcome, regional activities and statistical data on TCDC activities carried out by them. They were asked specifically to provide information on successful experiences, TCDC initiatives involving economies in transition, the use of regional and subregional mechanisms for the promotion of TCDC and implementation of the new directions strategy.

# A. <u>Special Unit for Technical Cooperation among Developing</u> <u>Countries</u>

36. The Special Unit for Technical Cooperation among Developing Countries continued to play an active role in the promotion and implementation of TCDC activities at the national, regional and international levels. The \$13.25 million allocated from Special Programme Resources to fund TCDC during the period 1992-1996 was utilized to finance four broad categories of activities: (a) promotion and sensitization; (b) enhancement of national capacities for the management of TCDC; (c) capacities and needs-matching exercises and subject-specific workshops; and (d) the sponsorship of studies and evaluations in respect of various TCDC activities. The actual amount spent during the biennium 1995-1996 was \$4.4 million.

37. In carrying out its various activities, the Special Unit has cooperated closely with national Governments, regional and interregional institutions, non-governmental organizations and organizations and agencies of the United Nations system.

38. In terms of their overall impact, the activities supported by the Special Unit during the past two years have stimulated a wide range of exchanges among developing countries in a number of priority areas, such as poverty alleviation, environment, production and employment, trade and investment, technology, governance and macroeconomic management. In addition, they also contributed to the strengthening of the capacity of the developing countries in the management of TCDC, while at the same time helping to equip them to play an active role as full participants in the global economic system. The programme may therefore be said to have made a valuable contribution to the promotion of the objectives of TCDC. It has also laid the foundation for a comprehensive implementation of the new directions proposals based on the strategic rationale identified in the new TCDC cooperation framework for the period 1997-1999.

#### B. <u>Regional bureaux</u>

# 1. <u>Regional Bureau for Africa</u>

39. In the country programmes, there are a few projects that utilize the TCDC modality, as in the cases of Ghana, Mozambique, Nigeria, Seychelles, Uganda and Zambia. A large number of regional programmes have as their objective regional cooperation and integration and the enhancement of capacity within the region. In the execution of these programmes, regional institutions are usually involved and indigenous expertise and experience exchanged.

40. The Regional Bureau for Africa is exploring the possibilities of promoting technical cooperation with Asia, on the one hand, and with Latin America on the other, under the United Nations New Agenda for the Development of Africa in the 1990s. This cooperation will include financial inputs from the regional programme and, in the case of the Asia-Africa Forum, from Japan. Regional cooperation and the sharing of experiences are also contemplated in the area of governance.

41. The Bureau has offered the following recommendations for the promotion of TCDC:

(a) The organization of an appropriate media campaign for the promotion of TCDC;

(b) The Special Unit for Technical Cooperation among Developing Countries should work with the Organization of African Unity and the Economic Commission for Africa (ECA) on the formulation and adoption at the regional or subregional level of an inter-country agreement on the TCDC modality;

(c) The introduction of a mechanism (within the Special Unit) for reviewing newly formulated programmes and projects in order to assess the possibility of utilizing TCDC and to advise country offices and Governments accordingly.

# 2. <u>Regional Bureau for Arab States</u>

42. TCDC has not yet been fully incorporated in the technical cooperation activities of the Governments of the region. While there are countries in the region that provide significant amounts of technical cooperation, in most countries the TCDC modality is not optimally utilized. Except, possibly, in the cases of Egypt, Morocco, the Sudan and Tunisia, there are no projects in the country programme of any country in the region that envisage implementation based on the TCDC modality. The Regional Bureau for Arab States has indicated that this deficiency could be attributable to inadequate knowledge and understanding of the concepts, benefits and procedures of TCDC.

43. At the regional level, however, there are at least two successful TCDC projects involving the Statistical, Economic and Social Research Institute and Training Centre for Islamic Countries and the Arab Gulf Programme for the United Nations Development Organizations (AGFUND).

44. The Bureau has made some suggestions for intensifying the promotion of TCDC and for ensuring its greater utilization among the countries of the region, namely:

(a) A process of increased sensitization so that Governments of the region could become more TCDC conscious;

(b) Allocation to the field offices of resources for the promotion of TCDC activities;

(c) Periodic meetings of national focal points in the region for the purpose of sharing information and experiences.

#### 3. Regional Bureau for Asia and the Pacific

45. The Bureau reports that many of the programmes implemented during the review period have clearly discernible TCDC characteristics. Some examples are the conclusion of agreements, with the assistance of UNDP, for the sustainable development of the Mekong River Basin, and of the Tumen River area, respectively, and the Pakistan-based Regional Governance Resource Facility designed to help consolidate regional expertise in governance into an operational network and a source of valuable information, and also to assist countries of the region to implement and monitor governance-related projects and programmes.

# 4. <u>Regional Bureau for Europe and the Commonwealth of</u> <u>Independent States</u>

46. While TCDC may be a new experience in this region, in 1995-1996 tangible progress was made in utilizing TCDC-type modalities for strengthening the technical cooperation capacities of the countries concerned. The first successful case of cooperation with extraregional countries with similar development profiles was a project that sought, through cooperation with other middle-income countries in Latin America, to enhance the management capacities of the countries of the countries of the Commonwealth of Independent States (CIS) in their changed economic environment.

47. Two high-level workshops, one in Buenos Aires in May 1995 and the other in St. Petersburg, Russian Federation, in June 1995, produced practical results and a series of follow-up activities both in terms of matching the experience of Latin America and the CIS region and in developing TCDC-Regional Bureau project initiatives.

48. The Bureau has requested the Special Unit's support in implementing three new projects relating to the organization of a regional conference of the countries in transition for promoting sustainable development, the organization of an international conference on emerging democracies, and strengthening the South-South cooperation capabilities of the CIS countries.

#### 5. <u>Regional Bureau for Latin America and the Caribbean</u>

49. The Bureau actively encourages the use of the TCDC modality in all its programmes, whether national or regional. It has supported, in collaboration with the Special Unit, the documentation of best practices for the alleviation of poverty. Specific documentation and exchanges of experience are envisaged in a programme covering Argentina, Bolivia, Colombia, El Salvador, Jamaica and Venezuela. In this connection, the Bureau assisted the Rio Group to set up a regional cooperation programme to implement the commitments made at the World Summit for Social Development. UNDP has assisted the countries concerned in the preparation of human development plans in most countries of Central America and is contributing to the development of a suitable statistical database. In the area of governance, the programme will establish regional networks to collect and systematize information on capacities for the purpose of facilitating

exchanges of experts among countries in the region. The networks will cover the themes of decentralization (Mexico), judicial reform (Argentina) and parliaments (Brazil).

50. It is difficult to identify all the TCDC activities supported by UNDP and to make an estimate of the resources actually devoted to TCDC from the UNDP programme expenditure. The increase in national execution and cost sharing and the emphasis on the use of national and regional institutions and national consultants have largely expanded the utilization of technical resources of the developing countries in UNDP country programmes. TCDC elements in many national and regional programmes have also increased, but there is currently no mechanism for capturing that element in the budgets of the various programmes.

51. In Latin America and the Caribbean, as well as in Asia and the Pacific, there are large numbers of TCDC projects, but there are relatively few in the African and Europe/CIS regions. In the regional and interregional programmes, however, projects are more easily identifiable as TCDC projects in cases where they are executed by regional or national institutions, and involve the sharing of participating countries' expertise. It is estimated from reports received that, in the country programmes, about 1 per cent of resources was spent on programmes applying the TCDC modality and, under the inter-country programmes, the expenditure was about 15 per cent of total resources, thus accounting for a total spending of approximately \$50 million during the biennium.

# IV. ACTIVITIES OF THE ORGANIZATIONS OF THE UNITED NATIONS DEVELOPMENT SYSTEM OTHER THAN THE UNITED NATIONS DEVELOPMENT PROGRAMME

52. The questionnaire sent to the organizations of the United Nations development system other than UNDP sought the following information: extent to which TCDC is utilized in implementing projects and programmes; strategies employed; ways in which TCDC could be more extensively utilized; number of projects implemented through this modality; focal point arrangements; extent of support for the building and strengthening of institutions that promote TCDC; successful TCDC experiences; successful examples of TCDC networking; number of TCDC meetings; seminars and workshops supported; sensitization activities; and other kinds of support offered to this modality.

53. The following paragraphs contain a summary of the ways in which the various organizations responding have sought to address the issues raised in the questionnaire.

#### A. <u>United Nations regional commissions</u>

### 1. <u>Economic Commission for Africa</u>

54. In keeping with its mandate, ECA has endeavoured to carry forward a number of activities designed to facilitate and promote TCDC among its member States, as well as between them and other developing regions. In the Commission's view, TCDC has had limited impact on the development process, for want of a more

systematic and coordinated approach to its application in the African region. ECA has accordingly been articulating its vision of the thrust and orientation of TCDC in Africa, focusing on the transfer of technology and the development of technological know-how for economic integration projects to be implemented by the subregional groupings.

55. The Conference of African Ministers Responsible for Trade, Regional Cooperation, Integration and Tourism adopted a resolution in February 1996, in which it requested ECA to organize a meeting on ECDC/TCDC. The meeting was intended to bring together all the actors and agencies relevant to the process of promoting ECDC/TCDC, for the purpose of ensuring that conditions were created for an effective system of TCDC on the continent.

56. Independently of that initiative, ECA has been giving detailed consideration to ways in which it can better equip itself to respond appropriately to the challenges of the twenty-first century, and to meet the needs of its constituents in the new era. In this context, South-South cooperation is seen as an important modality.

57. Over the years, with the Commission's assistance, a number of regional and subregional institutions have been created as a means of pooling resources and sharing skills, capacities and experiences for mutual benefit. It is expected that in the future, TCDC will play a significant role in strengthening these institutions through partnerships and twinning arrangements with similar institutions in other developing countries outside Africa. To this end, and in accordance with its own new strategic directions, ECA is currently undertaking consultations with the institutions concerned, and expects to expand its networking arrangements with ECA-sponsored institutions and with others within Africa and in other developing countries for the promotion of concrete TCDC/ECDC activities in Africa.

#### 2. Economic Commission for Latin America and the Caribbean

58. The Committee on Cooperation among Developing Countries and Regions of the Economic Commission for Latin America and the Caribbean (ECLAC) is the Commission's watchdog body on TCDC and seeks to formulate strategic guidelines and policies on the subject. As recently as April 1996, the Committee reaffirmed the importance of TCDC in stimulating and consolidating the economic and social development of the region in the context of the Commission's overall work programme. ECLAC considers that, in the context of the far-reaching changes taking place in the international economic environment, TCDC would expand and assume greater importance.

59. The Commission's operational involvement in the promotion of TCDC is based on certain principles whose effectiveness is well established, namely, a clear separation between budgetary and extrabudgetary resources for financing TCDC activities; taking advantage of the benefits of subregional coordination activities, in whatever context they take place; utilizing every opportunity to apply the comparative advantage of ECLAC in meeting the needs identified by TCDC national focal points; rendering support to regional programmes in areas considered by Governments to be of priority importance, and providing support to

regional and subregional cooperation networks. The Commission has applied these criteria to those strategic sectors where TCDC is considered to be relevant, and in the biennium 1995-1996, it carried out various activities aimed at supporting TCDC in the region, in fulfilment of the recommendations of the Buenos Aires Plan of Action.

60. The Commission's analysis suggests that, based on the fact that countries of the region are experiencing economic recovery, TCDC activities have increased significantly throughout the region. This trend is reinforced by growing disparities between those countries that have undertaken successful economic reforms and those that have not, with the latter anxious to learn from the former. In this context, there is also a growing tendency to copy the successful development experiences of the East and South-East Asian economies.

61. The ECLAC focal point for TCDC works in close collaboration with SELA, the regional focal point, and participates, on a regular basis, in meetings convened by the latter.

62. ECLAC has participated in some successful TCDC cooperation agreements in the region, such as the Urban Transport Management Project, out of which have come solutions that have attracted worldwide attention and acclaim, such as the organizational system of the Buenos Aires Bus Services, which is being implemented in other urban centres.

#### 3. Economic and Social Commission for Asia and the Pacific

63. ESCAP has stipulated that project formulation should fully explore opportunities for the promotion of TCDC. The Commission's regional advisers have also been instructed to promote the use of TCDC when advising Governments on approaches for solving their development problems. Although the focal point continues to be the Programme Management Division, responsibility for the promotion and utilization of this modality has been decentralized at various levels of the Commission. ESCAP is of the view that the continued flow of extrabudgetary funds to support its TCDC activities, together with the increase in the number of projects that are fully or partially implemented through TCDC, as well as the increase in the number of requests to finance TCDC activities, shows that its experience with TCDC has been satisfactory. Deficiencies in human and financial resources have nevertheless imposed limits on the Commission's ability to establish and update information on capacities. However, the TCDC-INRES database is increasingly being utilized by the Commission for this purpose.

64. ESCAP has sought to include the Pacific island countries in regional activities by supporting training programmes for them, and by facilitating their participation in important regional seminars and workshops. The activities in this regard follow priorities identified by the countries themselves.

65. While the Commission does not organize regular in-house training activities on TCDC for operational staff, there is close collaboration between such staff and the focal point. Externally, briefing sessions have been held for national focal points of the Pacific island States and for a number of delegations from countries expressing interest in cooperating with them.

#### 4. Economic and Social Commission for Western Asia

66. According to the report submitted, part of the mandate of the Economic and Social Commission for Western Asia (ESCWA) is the promotion of the economic and social development of its member States through regional and subregional cooperation and integration. In this context, support for TCDC focuses on cooperation efforts designed to promote self-reliance, interdependence among the countries of the region and collaboration between them and countries of other regions. The activities carried out in pursuance of these objectives are reflected in the technical cooperation agreements concluded among member countries, with the support of AGFUND, the Islamic Development Bank and the Arab Fund for Economic and Social Development. The Commission has indicated that TCDC features prominently in the implementation of these arrangements.

67. ESCWA reports an increase in the number of projects implemented on the basis of the TCDC modality, and has cited two examples, namely, on local community development in rural areas, and on preparatory assistance for regional support to the national pursuit of sustainable human development. While ESCWA advances these projects as successful examples of the application of TCDC, it nevertheless sees a need for further consolidation of the TCDC focal point concept. The Commission has made it clear that it needs the assistance of the Special Unit in consolidating focal points and also in the establishment of networks in the area of human resources development.

#### B. Other United Nations bodies

#### 1. Food and Agriculture Organization of the United Nations

68. The support of the Food and Agriculture Organization of the United Nations (FAO) to TCDC covers practically all fields in its area of competence, and is demonstrated in a number of specific arrangements, including, in particular, the use of experts from developing countries. Experts are engaged on the basis of the principles of partnership and sharing of costs and responsibilities. Since the start of the programme two years ago, more than 500 experts in a wide range of technical fields have been engaged under national and regional projects. Steps are being taken to make the facility better known to FAO field offices.

#### 2. International Labour Organization

69. The International Labour Organization seeks to ensure that technical cooperation activities are designed to include, to the extent possible, elements of TCDC. Recent trends in technical cooperation point to an increased focus on regional and interregional projects, thus providing new opportunities for TCDC to be incorporated into technical cooperation activities.

# 3. <u>International Trade Centre</u>

70. In its recruitment of trade specialists, and in the design of its regional and subregional projects, the International Trade Centre (ITC) actively seeks to ensure that it facilitates the exchange of expertise and experiences among developing countries. It is currently elaborating a position paper on ECDC/TCDC in an effort to ensure the full integration of TCDC into the Centre's core activities.

71. During the biennium 1995-1996, ITC supported a number of regional and subregional institutions in Asia and Latin America and the Caribbean, as well as in Eastern Europe.

# 4. United Nations Industrial Development Organization

72. Within the framework of the seven thematic priorities of the United Nations Industrial Development Organization (UNIDO), the Organization will focus its ECDC/TCDC programmes on high-impact activities at both the regional and the interregional level. Its focus will encompass major development issues and themes such as industrial investment cooperation, joint ventures and other business alliances in the South, the transfer of technology and human resources development.

73. As a follow-up to the South-South Conference on Trade, Finance and Investment, held in Costa Rica in January 1997, UNIDO is planning to allocate resources from its regular programme of technical cooperation for the establishment of an umbrella facility to fund preparatory activities aimed at supporting TCDC initiatives in those areas.

# 5. United Nations Centre for Human Settlements (Habitat)

74. The main focus of the operational activities supported by the United Nations Centre for Human Settlements (Habitat) is on the development of national human resources and the strengthening of institutions for settlements management. Among the techniques employed for the attainment of this objective are the establishment of regional and global networks of experts and the compilation and dissemination of best practices on settlements management.

# 6. <u>United Nations Conference on Trade and Development</u>

75. The United Nations Conference on Trade and Development is committed to the concept of TCDC, as is manifested in the growing number of experts recruited from developing countries, the use of developing country institutions, the active promotion of programmes among training institutions of the developing countries, for example the Programme on Training Development in the Field of Maritime Transport (TRAINMAR) and the Programme on Training and Human Resource Development in the Field for Foreign Trade (TRAINFORTRADE), and the increase in programmes and projects involving the sharing of experiences among these countries.

# 7. United Nations Population Fund

76. In September 1996, UNFPA created an Advisory Group on South-South Cooperation. Country offices are encouraged to organize and finance South-South cooperation activities under country programmes.

77. UNFPA is currently engaged in interregional initiatives with a clear TCDC orientation, and actively seeks the promotion and application of this modality of cooperation in carrying out its activities. One important initiative is the establishment of four centres of excellence on reproductive health, in Indonesia, Mexico, Thailand and Tunisia, as a means of disseminating, in a more institutionalized and efficient manner, successful experiences in this field. South-South cooperation carried out by these centres is supported by UNFPA. The "Partners in Population and Development" initiative was launched on the occasion of the International Conference on Population and Development, held in Cairo in 1994, to expand and improve South-South collaboration in the fields of family planning and reproductive health.

## 8. <u>Universal Postal Union</u>

78. Following the ninth session of the Committee, the Director-General of the Universal Postal Union made a number of recommendations to the postal administrations of developing as well as developed countries on the kinds of actions that might be taken by the International Bureau in keeping with the Committee's recommendations. These include consciousness-raising activities, particularly through regional workshops in fields likely to increase cooperation among developing countries, pilot studies for identifying and promoting TCDC exchanges, and periodic evaluation of the impact of TCDC on postal services development in the countries concerned.

#### 9. World Health Organization

79. The World Health Organization (WHO) describes its overall experience in the promotion of TCDC as extensive, rich and productive in terms of the promotion of self-reliance at the country level as well as at the regional and interregional levels. WHO promotes TCDC through its headquarters programmes as well as through its six regional offices. In respect of the former, its Association of South-East Asian Nations TCDC programme in the pharmaceutical sector, and the complementary initiative on technology transfer that its success inspired, are noteworthy.

80. In respect of the latter, a number of TCDC initiatives are being advanced that actively support horizontal cooperation across subregions and that also promote self-reliance, expand learning through the exchange of experiences and develop technical expertise in the vital area of health. WHO is currently collaborating with the Movement of Non-Aligned Countries in the area of health sector reform.

#### 10. World Meteorological Organization

81. The technical cooperation programme of the World Meteorological Organization has, as one of its main sources of support, the voluntary cooperation programme. Since 1967, the voluntary cooperation programme has been utilized for the promotion and application of TCDC. Under this programme, training, delivery of equipment and transfer of knowledge are arranged for the most part between developing countries, on whose contributions it depends. The focal point for TCDC is the Director of the Technical Cooperation Department. In 1995 and 1996, the cost of voluntary cooperation programme activities was \$524,000 and \$850,000, respectively.

#### V. CONCLUSIONS AND RECOMMENDATIONS

82. Despite internal institutional, attitudinal and resource constraints, TCDC continues to be a modality that is widely used by the developing countries. A significant number of countries have established umbrella TCDC programmes or basic agreements, under which various activities are designed and implemented. A standard practice is to set up joint TCDC/ECDC commissions, which meet periodically and draw up action plans to guide the implementation of TCDC programmes. The TCDC modalities utilized are diverse in nature and include training programmes, study tours, exchange of experts, fellowships and specific arrangements for the transfer of technology. Of these arrangements, the focus on training tends to be predominant. In this regard, not only national Governments but also regional organizations and institutions have become active participants in this effort. However, given the absence of consistent data, it is still difficult to determine the exact level of the resources that countries actually dedicate to TCDC activities.

83. As far as the developed countries are concerned, although in many cases they do not have explicit TCDC policies, some of these countries do, in practice, provide support, under various programmes funded by them, for the promotion of TCDC. The possibilities for triangular cooperation that envisages the involvement of developed countries in the promotion of TCDC activities should increase this form of cooperation in the future.

84. Regional organizations have become increasingly active in TCDC. This phenomenon is most evident in Latin America and the Caribbean, where SELA continues to play a leading and dynamic role, and where a number of other organizations explicitly include TCDC in their programmes of cooperation.

85. The organizations of the United Nations development system, as well as those outside the system, are becoming increasingly conscious of the importance of TCDC and are making greater efforts to put mechanisms in place to ensure the incorporation of TCDC into their programmes and projects. The information provided in response to the questionnaire reveals that a select number of TCDC activities are being implemented in support of the objectives of the recently concluded United Nations global conferences, in particular those on population and social development. The South-South Conference on Trade, Finance and Investment, held in Costa Rica in January 1997, which formulated a systematic strategy for the promotion of South-South cooperation in these areas, also has considerable potential to stimulate activities on the part of the United Nations system in support of technical cooperation among developing countries.

86. Under the various regional programmes of UNDP, deliberate and consistent efforts are being made to incorporate elements of the new directions strategy in the various activities carried out under these programmes. This is particularly evident in the regional initiatives on poverty eradication, where emphasis is placed on the compilation and replication in other countries of successful experiences in poverty eradication.

87. The economies in transition have made a promising start in strengthening their involvement in TCDC, and have, among other things, been seeking to incorporate into their programmes approaches contained in the new directions strategy. Their current preoccupation is to learn from the experience of other countries in addressing issues such as structural adjustment, privatization and coordination and management. However, they have considerable capacities in certain areas that could be utilized in addressing the needs of developing countries.

88. Despite the increase in the application of TCDC, the developing countries would need to formulate national TCDC policies and put in place the necessary supporting structures, if TCDC is to realize its full potential. In this regard, countries would also need to make greater use of the TCDC-INRES facility, which provides comprehensive information on the institutional capacities of the developing countries. At a more fundamental level, TCDC needs to be consciously internalized by the developing countries, and its utilization should be given first consideration in formulating technical cooperation programmes, as called for in Economic and Social Council resolution 1992/41. This suggests the need for a further strengthening of national TCDC focal points and intensified sensitization efforts. The latter need was specifically identified by ECA and ESCWA, since in neither region is there an active regional facility by which member States could be briefed or sensitized about TCDC. These two regions will therefore require urgent assistance from the Special Unit for Technical Cooperation among Developing Countries in terms of sensitization efforts and the strengthening of their TCDC management capacity.

89. The information and perspectives presented in the present report serve to underscore the existence of a strengthened international commitment to South-South cooperation, and the continuing relevance and vitality of the recommendations contained in the report of the South Commission.<sup>3</sup> The initiatives taken by Governments and intergovernmental organizations at the operational level underline the fact that there is an increasingly clear demonstration of the linkage between ECDC and TCDC, which is one of the main orientations contained in the new directions proposals. The present review indicates the need to continue to promote TCDC, not simply as an end in itself but also as a means of attaining the objective of strengthened South-South cooperation called for in the report of the South Commission.

90. Financing continues to be a major impediment to the promotion of TCDC. The increased allocations provided by the Executive Board of UNDP to finance TCDC activities during the period 1997-1999 will enable the Special Unit to pursue a number of strategic TCDC initiatives. It is hoped, nevertheless, that the Trust

Fund for South-South Cooperation, established in response to General Assembly resolution 50/119 of 20 December 1995, will receive generous contributions and thus provide an additional source of funding in support of a dynamic programme of TCDC.

91. It is evident that current global economic realities are forcing the developing countries to embrace TCDC as an important strategy in support of their development efforts and as a means of ensuring their effective participation in the newly emerging global economic order. Given these realities, TCDC and South-South cooperation in general are likely to feature as an increasingly strategic dimension of multilateral development cooperation.

92. It is hoped therefore that the present report will not only provide the High-level Committee with information on the progress made in the promotion and application of TCDC globally, but will also enable the Committee to provide further guidance regarding the future evolution of this modality of cooperation in the context of current efforts to implement the new directions strategy adopted at its ninth session. In particular, the Committee may wish to reaffirm (a) the importance of TCDC and the need for national Governments, intergovernmental organizations, UNDP and other organizations of the United Nations development system to intensify their efforts to promote TCDC; (b) the urgency of mobilizing increased resources under the Trust Fund for South-South Cooperation established in accordance with General Assembly resolution 50/119; and (c) the need for the Special Unit to continue its efforts to implement the new directions proposals and to monitor and report on the implementation of TCDC activities by national Governments and intergovernmental organizations in developing countries, as well as the organizations and agencies of the United Nations development system, and report thereon to the Committee at its eleventh session.

#### <u>Notes</u>

<sup>1</sup> <u>Report of the United Nations Conference on Technical Cooperation among</u> <u>Developing Countries, Buenos Aires, 30 August-12 September 1978</u> (United Nations publication, Sales No. E.78.II.A.11 and corrigendum), chap. I.

<sup>2</sup> See <u>Official Records of the General Assembly, Forty-sixth Session,</u> <u>Supplement No. 39</u> (A/46/39), annex I.

<sup>3</sup> <u>The Challenge to the South: The Report of the South Commission</u> (New York, Oxford University Press, 1990).

<sup>4</sup> See <u>Official Records of the General Assembly, Forty-eighth Session,</u> <u>Supplement No. 39</u> (A/48/39), annex I.

#### <u>Annex</u>

# Countries and organizations providing information

Developing countries

|   | Asia and   | Latin America<br>and the  |  | Europe and                      |
|---|--|---|--|---------------------------------|
| <u>Africa</u>   | the Pacific  | the Caribbean   | <u>Arab States</u>   | <u>Central Asia</u>             |
| Benin<br>Gambia<br>Ghana<br>Guinea-Bissau<br>Ethiopia<br>Mauritania<br>Namibia<br>Nigeria<br>Senegal<br>Seychelles<br>Uganda<br>Zaire<br>Zimbabwe | Bhutan<br>Cambodia<br>China<br>Indonesia<br>Lao People's<br>Democratic<br>Republic<br>Malaysia<br>Maldives<br>Micronesia<br>(Federated<br>States of)<br>Mongolia<br>Myanmar<br>Pakistan<br>Palau<br>Philippines<br>Republic of<br>Korea<br>Samoa<br>Singapore<br>Sri Lanka<br>Thailand<br>Viet Nam | Anguilla<br>Antigua and<br>Barbuda<br>Barbados<br>Brazil<br>British Virgin<br>Islands<br>Chile<br>Colombia<br>Dominica<br>Ecuador<br>El Salvador<br>Haiti<br>Mexico<br>Montserrat<br>Panama<br>Paraguay<br>Saint Kitts<br>and Nevis<br>Saint Vincent<br>and the<br>Grenadines | Egypt<br>Jordan<br>Kuwait<br>Lebanon<br>Morocco<br>Sudan<br>Syrian Arab<br>Republic<br>Tunisia<br>United Arab<br>Emirates<br>Yemen | Armenia<br>Kyrgyzstan<br>Turkey |

# Developed countries

Austria France Netherlands

# <u>UNDP</u>

Regional Bureau for Africa Regional Bureau for Asia and the Pacific Regional Bureau for Arab States Regional Bureau for Europe and the Commonwealth of Independent States Regional Bureau for Latin America and the Caribbean

#### United Nations development system

Economic Commission for Africa Economic Commission for Latin America and the Caribbean Economic and Social Commission for Asia and the Pacific Economic and Social Commission for Western Asia Food and Agriculture Organization of the United Nations International Labour Organization International Maritime Organization International Research and Training Institute for the Advancement of Women International Trade Centre United Nations Centre for Human Settlements (Habitat) United Nations Conference on Trade and Development United Nations Population Fund United Nations Industrial Development Organization Universal Postal Union World Bank World Food Programme World Health Organization World Meteorological Organization

#### Intergovernmental organizations

African Regional Centre for Technology Andean Development Corporation Arab Centre for the Studies of Arid Zones and Dry Lands Arab Monetary Fund Arab Organization for Agricultural Development Asian Development Bank Association of South-East Asian Nations Central American Bank for Economic Integration Institute for Latin American Integration Inter-American Development Bank Inter-American Institute for Cooperation on Agriculture International Centre for Living Aquatic Resources Management International Freshwater Fisheries Research Centre, China International Network on Small Hydro-power Latin American Centre for Development Administration Latin American Economic System Latin American Energy Organization Organization of American States South Asian Association for Regional Cooperation South Pacific Regional Environment Programme Statistical, Economic and Social Research and Training Centre for Islamic Countries West Africa Rice Development Association

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