



BRAINSTORMING SESSION ON SOUTH-SOUTH COOPERATION
New York, 3 May 2007

Chair's Summary

It was noted that the first area where further thought needs to be given is on the analysis of South-South Cooperation, both in the broader framework of trade, technology and other exchanges, and in the context of South-South development cooperation. A closer analysis of the economic and social indicators and statistics is needed so that the importance of the South-South role in the world economy is not overvalued but also that its role is not undervalued, so that there is a correct assessment of the situation.

2. It is quite clear that while there are very dynamic emerging economies in the South, there is, on the other side, an equally disturbing trend of uneven growth and, indeed, of marginalization of a large number of developing countries, especially the vulnerable countries such as the small island developing states, the land-locked developing countries and the least developed countries. And there is, therefore, a greater disequilibrium in the South, both positive on the one hand and negative on the other.

3. These divergences have also produced complementarities for trade, development cooperation and exchanges, and mutual support between the developing countries. Such complementarities create both economic possibilities as well as political possibilities for solidarity among the countries of the South.

4. The second area where many of the comments focused was on the broader policy issues of South-South cooperation. It has been well said that South-South cooperation is a manifestation of both solidarity as well as the desire for collective self-reliance among the countries of the South. The agenda, obviously, has to be set by the countries of the South. It is up to developing countries to promote South-South cooperation and to build it at the bilateral, regional as well as at the global level within the UN system. The directions or approaches for development cooperation must take into account the inequalities and the vulnerabilities of the poorest among the developing countries, and therefore the directions and priorities of cooperation must be focused on addressing their problems.

5. South-South cooperation refers to the natural cooperation created by complementarities in trade, financial and other flows, as would happen between any two economies. This would also happen at the regional level. But there is a need to see how to best exploit those opportunities and complementarities. Analyses and policies need to give priority to exploiting the opportunities which exist, or could be created, because of the present situation. At the same time, there is a need to address the obstacles to trade, financial and technical cooperation that exist between countries of the South, which also need to be addressed in a dynamic way.

6. It was also stated that technical cooperation among developing countries needs to prioritize the strategic areas such as, for example, the need to develop human capital in strategic sectors like health, education, infrastructure, etc. A fine and correct distinction was drawn between the direct cooperation that is taking place at the bilateral, regional and global level and the support which is expected from the UN system for South-South cooperation. It is indeed true that South-South cooperation must be integrated into the UN development cooperation framework. The UNDP Strategic Plan which is being prepared needs to give it the necessary priority. And there is also a need to see how the UN system has responded to the decisions of the South Summits and to other decisions on South-South Cooperation and to review and monitor implementation of those decisions.

7. At the same time, South-South cooperation extends beyond direct development and technical cooperation. It also extends to political cooperation in the context of North-South negotiations. Until developing countries are collectively able to change the international structure of trade, finance and technology regimes in the world, they cannot have the environment that would maximize the chances to achieve their full potential and to have an even chance to achieve their potential, even if they tried their best. Therefore, political solidarity and cooperation in North-South negotiations is a vital component of South-South cooperation. In this context, it is important for the members of the Group of 77 to find the political will to accommodate the different interests, priorities and sometimes divergent interests within the Group, and to find ways to reconcile these and to adopt a strategic approach to the achievement of its goals collectively.

8. It is also clear that South-South cooperation cannot replace North-South cooperation, and should not replace North-South cooperation. The North has an obligation, both in their own national interests, but also in the interest of global harmony and equity and development, to fulfill their commitments through North-South cooperation. Developing countries must continue to press this point vigorously and strongly at every moment. South-South cooperation, whether through the UN or bilaterally or regionally, cannot mirror the cooperation with the North. The premises are different, the conditions are different, and the expectations are different, which must be reflected accordingly.

9. The third area where comments were focused was on suggestions for further institutional work on South-South cooperation. First, the role of the High-level Committee must be reviewed. It should meet annually and it should have a broader focus than at present time. Secondly, a lot was said about strengthening the Special Unit for South-South Cooperation and whether it should be housed in the UNDP or elsewhere. There is a strategic choice with regard to the Special Unit, which is to decide whether this Unit will be limited only to providing support for the South-South activities of the UN system, or should the Unit be utilized in a broader format in order to direct the policies of the UN system towards the agenda of the South. That decision will determine where the Unit would be located, how strong it should be, what resources should be allocated to it and at what level it should be. There were suggestions of a Special Envoy on South-South Cooperation or a High Representative in order to enhance the visibility of South-South

cooperation within the UN system. There were further suggestions for an annual South Report and a mechanism for monitoring and follow-up of decisions of developing countries. There was also a suggestion for a UN Conference on South-South Cooperation now, almost 30 years after Buenos Aires. It was further suggested that there is a need for some sort of linkages between development assistance organizations of the South. It was pointed out that a host of institutions provide development cooperation, technical assistance and technical advice from some developing countries to others at the national, regional and global level. There is a need to build on this, at the first stage with at least an exchange of information, at the second stage with some sort of networking, and perhaps at a later stage with some sort of an institutional arrangement for interaction between them in order to maximize the impact of the inputs of the South on the developing world.

10. Lastly, the idea of following up on the South Platform, which was decided by the South Summit. This could be further elaborated through the establishment of an Eminent Persons Group. In order to enhance the projection of the Group of 77's own agenda, and to have the strategic direction for the developing countries, there is a need to evolve a high level consensus on some key issues of importance to the South such as the architecture of the financial system and the trading system, especially in the context of what is happening in the Doha Round: What are the requirements of the trading system for the South? What are the technology requirements and how to advance these? How to respond to the pressing challenges moving on the South, which is the whole debate on climate change and energy where there are differences within the Group of 77? How to evolve a consensus approach for the South on all these key strategic issues, which would be high priority issues for each and every government of the South? Perhaps this could be done by establishing an Eminent Persons Group with an advisory group to back it up and to allow them to try and evolve views for the South on these issues.
