

Mapping South-South Cooperation Mechanisms and **Solutions** in the **Arab States**



Empowered lives.
Resilient nations.



United Nations Office for South-South Cooperation

Mapping
South-South Cooperation
Mechanisms and Solutions
in the **Arab States**

First Edition 2014

Global South-South Development Academy Series



Disclaimer: The views outlined in the publication do not necessarily reflect the policy position of the IDB, UNDP, and the United Nations Office for South-South Cooperation. The IDB, UNDP, and the United Nations Office for South-South Cooperation do not make any representation or warranty as to the accuracy or completeness or otherwise of the publication, or any assumption on which the publication may be based.

Foreword



Foreword by H.E. Dr. Ahmet Tıktık, Vice President (Cooperation and Capacity Development), Islamic Development Bank.

In the last two decades, many of the developing countries have accumulated substantial development experience and acquired expertise, know-how and technology which brought about the vast potential of these, to be shared with other countries in the South. Owing to this accumulated knowledge, coupled with the increased prosperity in the developing countries the volume of South-South Cooperation has increased to unprecedented levels in history that it has finally come under the spotlight that it deserves.

Support for cooperation and integration among its member countries is at the heart of the mandate of the Islamic Development Bank (IDB). The Bank's Articles of Agreement underline the critical importance of cooperation among member countries, based on the principles of unity, mutuality, cooperation and solidarity.

Nevertheless, the true strength and comparative advantage of the Bank concerning South-South Cooperation lie in the fact that IDB is the only Multilateral Development Bank whose membership is drawn entirely from the developing countries. It is this unique membership structure that was the main driver for the IDB to spearhead a "South-South" development approach right from the beginning in 1975, well before the international community embraced it as a developmental tool.

Throughout its history, the IDB has been strengthening cooperation, fostering socio-economic development and enhancing intra-trade and intra-investment among its member countries through a variety of programmes. Most recently, the Bank reaffirmed its commitment to actively foster South-South Cooperation when it introduced the concept of "Reverse Linkage", which took the traditional south-south cooperation activities of the Bank to an elevated level by successfully mainstreaming them into both its regular operations and intervention strategies in the member countries. While aiming at addressing specific development constraints in a result-oriented manner, "Reverse Linkage" is based on the distinctive understanding that irrespective of the development status, all countries have expertise in one or more areas that can be tapped into by the others.

In view of the ever expanding role of "South- South Cooperation" in international development, we are proud to present an overview of the successful mechanisms and initiatives in the Arab region, which have been pivotal in deepening the cooperation among the Arab countries. This publication will be the first milestone of a comprehensive mapping which

is planned to be succeeded, amongst others, by an on-line portal that would allow us to establish an interactive and a constantly up-to-date database of the successful solutions and mechanisms concerning South-South Cooperation. In this respect, we believe this publication has come out at an opportune moment, coinciding with the outcomes of the UN High-level Conference on South- South Cooperation in Nairobi, Kenya, and the Fourth High Level Forum on Aid Effectiveness in Busan, South Korea. We are certain that this publication will help us draw lessons from all the past experiences; so that our future contribution can be even more effective.

A handwritten signature in black ink, consisting of a series of fluid, connected strokes. The signature is centered horizontally below the main text block.



Foreword by Ms. Alia Al-Dalli, Manager, UNDP Regional Bureau for Arab States, (RBAS), Regional Centre in Cairo.

This publication comes at a time when people and institutions across the region require that governments take a closer look and more pertinent examination of policies and tools used to build economies, strengthen investment, infrastructure and governance policy amongst many other sectors.

Since 2008, RBAS/UNDP Regional Centre in Cairo has worked on expanding its consultative efforts across the region, primarily within our large network of Country Offices, to enhance current programmes, and initiate a pro-active approach to development within the region. This is none more so apparent than in the newly formed UN office for South-South Cooperation initiative for Arab States, housed within the UNDP Regional Centre in Cairo.

With a growing number of global organizations, and some specifically well-developed South-South Cooperation programmes already successfully active in the Middle East, the programme, beginning with this publication, aims to become a direct launching pad for inter-governmental cooperation and development schemes as countries begin to learn from each other on how best to impact development within their own borders.

This publication provides a gateway for providing direct access to agencies, civil society and governments in collaboration with the United Nations Office of South-South Cooperation (UNOSSC) as the main facilitator. The framework can be designed to cater specifically to the particular South-South Cooperation goals of each state, as many states hover at varying levels of South-South Cooperation. Using the examples, solutions and mechanisms given herein, the role of South-South Cooperation will be further enhanced as countries look to replicate models that have proven successful in countries facing similar cultural and economic issues.

This publication aims to launch a platform for our partners and Arab States to enable collaboration and experience to be simultaneously shared and created. Taking into account the very specific cultural, religious and social aspects that are unique to the region, the enhancement of well-localized and successful solutions to South-South Cooperation can aim to trigger a broad consensus within the region for addressing specific needs and

development obligations by governments and organizations. By generating a hub of information gathering and an avenue to access tried and tested mechanisms and solutions using South-South Cooperation, we aim to provide users with a vast network of information and contact sourcing to further enhance the active work within the region.

South-South Cooperation is becoming a primary source for this region's development and this publication will help enable partners and organizations across the Arab States to promote their own methods, whilst also implementing tried and tested experiences from their neighbours. The publication has been designed to allow all relevant players to understand South-South Cooperation and to work further on promoting a full scale South-South Cooperation programme, such as those we have already seen in Morocco, Tunisia and Egypt.

Nevertheless, currently there is very little sourced regional impact of South-South Cooperation and across many members of the Arab States, no programme for South-South exists. As the primary facilitator in the region, this publication is the UNOSSC's launching pad for an inclusive and decisive look at mapping the South-South experiences already recorded and successful in the region, looking towards expanding and enhancing the profile of South-South Cooperation to build a comparative regional programme for the Arab States.

Finally, we are very pleased to partner with the Islamic Development Bank with its vast experience and network to produce this timely publication.

A handwritten signature or mark in black ink, consisting of a large, stylized loop on the left and a horizontal line extending to the right, with a small vertical stroke at the end of the line.



Foreword by Mr. Yiping Zhou, Director, United Nations Office for South-South Cooperation.

I am pleased to launch the first South-South Cooperation Publication by the UN Office for South-South Cooperation (UNOSSC) for the Arab States that is the result of close collaboration of our office, the Islamic Development Bank and the UNDP RBAS Regional Centre in Cairo; a publication for South-South Cooperation (SSC) initiatives that focuses solely on worked mechanisms and successful solutions already implemented in the region. As a sounding board for our programme in the Arab States region, it is a collaborative effort from all active regional partners; contributing to a wide-reaching, informative and inclusive documentation of SSC to date.

The initiatives mentioned herein are merely an introduction and should act as a foundation in the furtherance of SSC between the Arab States. Further collusive steps will be taken by the UNOSSC and the UNDP Regional Centre in Cairo (RCC) to expand on this publication, in creating a fully inclusive portal of all South-South Cooperation methods, available partners, civil society, roster of experts, centres of excellence and technical cooperation agencies to open channels across the region that will allow parties to access all required information, not only with regard to SSC directly, but to also allow the UNOSSC to act as a facilitator in creating new partnerships and help countries establish and develop their own mechanisms for SSC.

This publication looks at addressing the needs and lack in access to information across the Arab States with regards to SSC. Despite a broad range of states active in SSC already, this is still a relatively new and emerging tool for the region. Whilst the region has already seen widespread success from groups like the Tunisian Agency for Technical Cooperation, The Islamic Development Bank, and a heavy dedication of Gulf-based organizations implementing growing mechanisms, particularly in the improvement of social and environmental affairs, the focus from a grassroots level has, until now, abundantly centred on crisis prevention and restructuring in certain countries that have suffered dramatic conflict, poverty and drought.

The expansion now sought in furthering political knowledge networks and exchange mechanisms is being fuelled by the enhanced civil society and social presence stemming from the political upheaval seen in the past two years across the vast majority of the region. Whether it is the most basic constitutional and economic reform being sought in countries like Jordan

and Morocco, or more extensive collaborative efforts for others like Egypt, Libya and Tunisia, who have seen a total upheaval of their entire political structure and governing system.

This publication focuses solely on those projects implemented within the region, therefore carefully addressing the very unique religious, cultural, social and economic issues which impact development. Such mechanisms and solutions become immediately more practical, cost-effective and attractive to countries looking to endorse SSC through various development projects, further enhancing replicability and sustainability of such models of SSC showcased within this document.

Since its inception the UNOSSC has succeeded in pushing forward its mandate, coupled with that of the Millennium Development Goals as highlighted by the UN in 2000, to strengthen already existing SSC tools and relationships and increase broad partnerships and mechanisms at the disposal of SSC partners across the globe. By creating a unique linkage between civil society, developing countries and established funds/organizations across the globe, the UNOSSC has successfully attacked many areas of SSC through its entities, of which include: the South-South Development Academy, the South-South Development EXPO, and the South-South Assets and Technology Exchange. Using these tools and several strongly established partnerships with organizations dedicated to SSC, such as the Japan International Cooperation Agency, the UNOSSC has targeted the development and enrichment of SSC within the developing Global South with marked results.

As the UNOSSC capacity continues to grow across the Global South, with particular established success in the Latin American States, the growing impact of the Arab States on global politics, economies and development, has created a need to cater a South-South Cooperation portfolio specific to the region.

A handwritten signature in black ink, appearing to be 'Yassir', with a long horizontal flourish extending to the right.



Table of Contents

Foreword

Overview of trends and opportunities in advancing South-South and Triangular Cooperation in the Arab Region

- 1. Realigning the Global Order: Trends and Successful Practices in Arab National and Intra-regional Cooperation**
 - 1.1 Trends and Successful Practices of Arab South-South Cooperation at the National and Intra-regional Levels
 - 1.2 Objectives, Patterns and Strategic Approaches of Arab South-South Cooperation
 - 1.3 Strengths and Key Challenges
 - 1.4 Moving Forward: Opportunities for Greater Collaboration
- 2. Trends, Successful Practices and Expanding Opportunities in Arab Inter-regional Cooperation**
 - 2.1 Widening Arab Cooperation with Other Regions on Development, Trade and Finance, Natural Resources and Culture
 - 2.2 Putting Africa at the Centre
 - 2.3 Forging Strategic Partnerships with Asia
 - 2.4 Expanding Collaboration with South America
 - 2.5 Increasing Links to Eastern Europe and Central Asia
 - 2.6 Expanding Opportunities for Improved Inter-regional Cooperation
 - 2.7 Key Challenges to Inter-regional South-South Cooperation
- 3. Regional Strategic Approach to Address Knowledge, Communication and Resource Gaps and Further Advance South-South and Triangular Cooperation for Development in the Arab Region**
 - 3.1 Criteria for the Approach
 - 3.2 Elements of the Approach

Featured Solutions

- 1. Alliance to Fight Avoidable Blindness - Islamic Development Bank:**
- 2. North-South embraces South-South for the Reconstruction of Iraq**
- 3. Micro-credit activities to the benefit of the WLHIV (Women Living with HIV); Djibouti**



Overview of Trends and Opportunities in advancing South-South and Triangular Cooperation in the Arab Region

1. Realigning the Global Order: Trends and Successful Practices in Arab National and Intra-regional Cooperation

Increasingly, a diverse array of new actors, including many in the Arab States, is reshaping the global development landscape. These actors are transforming their rich knowledge, skills and technical inspiration, their creative social and economic policies, and their emerging political influence into positive development outcomes, building on complementary capacities and experiences and bearing in mind their own aspirations and special needs. Amid this accelerating change, South-South Cooperation (SSC) and Triangular Cooperation² are serving as particularly powerful tools for building horizontal development partnerships, sharing and applying knowledge in a variety of development areas, and deepening global interdependence. Recent developments in SSC have taken the form of exchange of solutions and experts, technology transfer, dialogue on options for policy reform, enhanced official flows and foreign direct investment, and increased volumes of trade. Moreover, a nascent Global Partnership for Effective Development Cooperation³ represents a

South-South Cooperation (SSC) and Triangular Cooperation¹ are serving as particularly powerful tools for building horizontal development partnerships, sharing and applying knowledge in a variety of development areas, and deepening global interdependence.

¹ Key functions of South-South cooperation include capacity-building, training, research and technology transfer, information and knowledge exchange, and advisory and technical support.

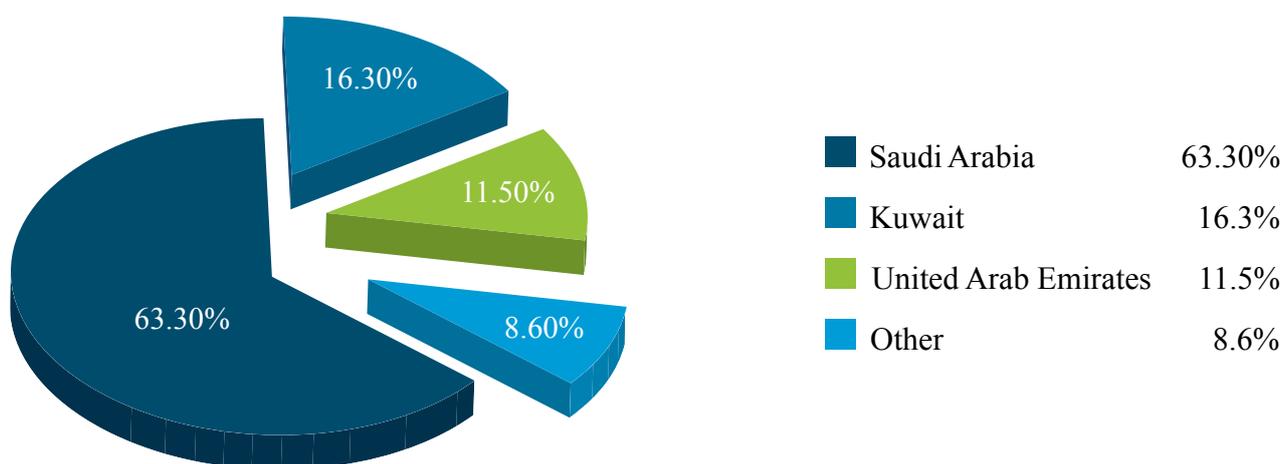
² Formed during the Fourth High-level Forum on Aid Effectiveness in Busan, Republic of Korea, in 2011, the Global Partnership for Effective Development Cooperation is a new, inclusive forum bringing together a wide range of countries and organizations committed to ensuring that development cooperation is effective and supports the achievement of results. The Partnership will work to foster engagement, communication and knowledge-sharing among development actors.

deliberate effort by traditional donors to encompass Southern actors' views and practices.

SSC is one of the hallmarks of Arab development cooperation. Bilateral and multilateral Arab providers of such cooperation, initiated more than 40 years ago, must be recognized as important development actors. For example, overall, Arab providers – particularly Kuwait, Saudi Arabia and the United Arab Emirates– have been among the most generous in the world. An analysis of Arab ODA figures between 1973 and 2008, **according to the World Bank**, illustrates this well, showing ODA totalling \$272 billion and averaging 1.5 percent of combined gross national income. This figure is double the United Nations development assistance target of 0.7 percent and five times the average among traditional donors³. While it cannot be stressed enough that ODA is only a partial representation of SSC flows since the wide variety of SSC activities is yet to be measured in monetary terms, nonetheless, this is indicative of Arab generosity.

Traditionally, more than 80 percent of this Arab South-South generosity has been directed towards other Arab countries. Saudi Arabia accounted for almost two thirds of total Arab ODA between 1973 and 2008 (see below figure), followed by Kuwait with 16 percent and the United Arab Emirates with 11.5 percent; other sources comprised 8.6 percent collectively. Recipient countries of Arab bilateral ODA have changed somewhat over time (see table). Morocco, Oman and Yemen have consistently been among the top 10 over the decades, while Bahrain, Egypt, Lebanon, the Syrian Arab Republic and Sudan have been excluded only once. Egypt was by far the largest recipient of Arab ODA in the 1970s, while the Syrian Arab Republic was the largest cumulative recipient over the 35-year period, although it dropped from the top-10 list during 2000-2008. Now the State of Palestine is the largest Arab ODA recipient after not even appearing in the top 10 previously.⁴ Other important Arab recipient countries include Algeria, Djibouti and Jordan.

Main Sources of Arab ODA, 1973-2008.



³ World Bank, Arab Development Assistance: Four Decades of Cooperation, Washington, D.C., June 2010. Available from <http://siteresources.worldbank.org/INTMENA/Resources/ADAPub82410web.pdf>.

⁴ Ibid.

Top-10 Recipients of Arab Bilateral ODA (cumulative net disbursements at 2007 prices, in millions of dollars).

1973-1979		1980-1989		1990-1999		2000-2008		1973-2008	
Country- US\$m		Country- US\$m		Country- US\$m		Country- US\$m		Country- US\$m	
Egypt	24,609	Syria	15,726	Egypt	5,801	Palestine	1,657	Syria	33,631
Syria	15,941	Jordan	12,804	Turkey	2,541	Lebanon	834	Egypt	31,022
Jordan	8,074	Morocco	6,144	Syria	2,028	Morocco	771	Jordan	21,606
Yemen	4,685	Yemen	4,498	Morocco	1,491	Egypt	596	Morocco	11,179
Pakistan	3,763	Sudan	3,632	Lebanon	830	Yemen	588	Yemen	10,021
Sudan	3,030	Bahrain	2,221	Bahrain	813	Sudan	498	Sudan	7,259
Morocco	2,773	Oman	1,690	Jordan	627	Algeria	366	Pakistan	4,832
Oman	2,173	Lebanon	1,640	Afghanistan	543	Turkey	349	Bahrain	4,678
Mauritania	1,709	Pakistan	1,243	Oman	337	Bahrain	342	Lebanon	4,510
Somalia	1,546	Turkey	1,221	Yemen	243	Oman	203	Oman	4,404
Share of total ODA: 87%		82%		88%		80%		82%	

Source: World Bank, Arab Development Assistance: Four Decades of Cooperation, Washington, D.C., June 2010.

Arab providers are gaining increasing prominence in international forums, which are crucial platforms for helping to advance SSC. While Saudi Arabia is to date the only Arab country to become part of the Group of 20 (G20) major economies, several others are emerging as potential G20 members. In addition, Egypt has become a leading member of the CIVETS development providers⁵, which have strongly promoted South-South knowledge exchange and learning. Yet, overall, Arab models of good practices again have not received the careful attention that they deserve; in particular, a need exists for more research on a country-by-country basis to enrich the details provided below.

1.1 Trends and Successful Practices of Arab South-South Cooperation at the National and Intra-regional Levels

The outcome document of the High-level United Nations Conference on South-South Cooperation, held in Nairobi, Kenya, in December 2009, sets forth the rationale, principles and key actors of SSC. It defines SSC as a “common endeavour of peoples and countries of the South, born out of shared experiences and sympathies...a partnership among equals based on solidarity”. Critically, the Nairobi outcome document declares that SSC should not be seen merely as official development assistance but rather as a vast range of collaborative initiatives, cross-

It defines SSC as a “common endeavour of peoples and countries of the South, born out of shared experiences and sympathies...a partnership among equals based on solidarity”. Critically, the Nairobi outcome document declares that SSC should not be seen merely as official development assistance but rather as a vast range of collaborative initiatives, cross-country programmes, agreements and common negotiating positions that developing countries are collectively devising to help to reduce poverty and further other aspects of human development.

⁵ Colombia, Indonesia, Viet Nam, Egypt, Turkey and South Africa; the latter is now generally included with the Brazil, Russia, India, China and South Africa (BRICS) group.

country programmes, agreements and common negotiating positions that developing countries are collectively devising to help to reduce poverty and further other aspects of human development.

A prominent feature of the collective self-reliance of developing countries has been the creation of broad South-South non-governmental networks, including the private sector, civil society and academia. Government and non-governmental actors alike are guided by the Nairobi outcome document normative principles of respect for national sovereignty, national ownership and independence, equality, non-conditionality, non-interference in domestic affairs and mutual benefit. Key operational principles include mutual accountability and transparency, development effectiveness, and coordination of evidence- and results-based initiatives (see also section 3).

For Arab providers of SSC, targeted strategic cooperation has become a potent instrument of influence, including for promoting multi-layered foreign policymaking and commercial interests. At the same time, a traditional concentration of cooperation with other Arab countries⁶ is evolving rapidly as Arab providers increasingly offer their expertise, knowledge, services and financial resources to other regions as well.

1.2 Objectives, Patterns and Strategic Approaches of Arab South-South Cooperation

1.2.1 Major Bilateral Contributors to South-South Cooperation

From the richer countries of the Gulf, to more diversified economies such as Egypt or Jordan, to least developed countries (LDCs) such as Sudan or Yemen, numerous suppliers of SSC now exist. Demand also is high in a number of sectors, often within the same country. Much of the current available information focuses on Arab support to Africa, which may provide important models for intra-regional replication as well. Overall, more Arab financial resources are being allocated to poor countries; 40 percent of total Arab financial assistance has gone to World Bank International Development Assistance recipient countries. Furthermore, some 20 percent of total Arab lending has been directed to countries eligible for heavily indebted poor countries (HIPC) assistance⁷. Strengthening this pro-poor approach in the future will be vital. Already, many Arab countries have particularly supported South-South capacity development, including the establishment and operation of training institutes for partner-country officials, and have provided assistance for knowledge-sharing initiatives to help partner countries to develop policy solutions tailored to their unique development challenges.

Within the Arab region, comparative advantages exist in terms of ease of knowledge transferability without the challenges of language and context; for example, Arabic speakers are able to minimize the loss of benefits that may occur elsewhere due to language barriers. In addition, partnering with institutions in the region ensures political and operational relevance, given the sharing of regional conditions.

The following examples of the vibrant diversity of Arab SSC at the national and intra-regional levels are by no means exhaustive. Moreover, further strengthening of comprehensive documentation of these efforts can provide an even richer experience for Southern countries in other regions (see also section 1.3).

⁶ Ibid. World Bank

⁷ Ibid.

The Long-established National Funds: Kuwait, Saudi Arabia, United Arab Emirates

As noted earlier, by far the largest bilateral partners for SSC are Kuwait, Saudi Arabia and the United Arab Emirates, each of which has long had its own national fund for sharing development assistance. There has been a strong focus on development finance, particularly through soft loans in recent years. While the Saudi Fund for Development, the Kuwait Fund for Arab Economic Development and the Abu Dhabi Fund for Development finance projects or contribute to debt relief in scores of developing countries,⁸ they also have kept a focus on Arab cooperation. For example, more than half of the nearly 800 loans and 230 technical assistance grants by the Kuwait Fund for Arab Economic Development since its founding have been distributed across 16 Arab States. In 2010-2011, the Kuwait Fund for Arab Economic Development executed loan agreements with seven Arab countries, primarily in the energy sector.⁹ Also in 2011, the Saudi Fund for Development financed power plants in Egypt and the Syrian Arab Republic along with dams in Sudan,¹⁰ while the Abu Dhabi Fund for Development gave a loan to Bahrain to build government and administrative buildings.¹¹

In other initiatives by these leading Arab providers, Kuwait has offered the services of State-owned and private construction and communications firms such as Zain, which until 2010 had most of its customers in Africa. These services have not only been profitable for investors but they have also been crucial to fostering overall human development through opening new channels of communication between people and governments as well as offering greater access to public information and, potentially, basic services to all. Kuwait also is cooperating with the Gulf Organization for Research and Development, based in Qatar, to promote knowledge transfer on sustainable buildings and promote overall sustainable development.

Similarly, the United Arab Emirates has been particularly active in the field of renewable and alternative energy and clean technology; Masdar, a subsidiary of the Mubadala Development Company in Abu Dhabi, hosts the World Future Energy Summit, which has provided an important platform for knowledge-sharing among numerous Southern countries. Recently, the United Arab Emirates also re-established the South-South platform for the High-level Conference on Science and Technology, another important forum for South-South knowledge exchange. In addition, it has become home to vibrant private-sector e-learning companies that operate across the Arab region. Major sources of Southern philanthropy include the Dubai-based Mohammed bin Rashid Al Maktoum Foundation, the largest foundation in the Arab region, with a \$10-billion endowment, and Dubai Cares, which supports primary education in developing countries with an endowment of \$1 billion.

⁸ Ibid.

⁹ Kuwait Fund for Development, Forty-Ninth Annual Report 2010-2011, Kuwait, 2011. Available from <http://www.kuwait-fund.org/images/Annual%20Reports%20En/Annual%20Report%20-2010-2011.pdf>

¹⁰ Saudi Fund for Development, Annual Report 2011, Riyadh, 2012.

¹¹ Abu Dhabi Fund for Development, Annual Report 2011: Towards a Better Tomorrow, Abu Dhabi, 2012.





Saudi Arabia has fostered a distinctive form of resource mobilization in the form of “public campaigns”, which are semi-public, semi-private mechanisms for the Government to mobilize private humanitarian donations – financial or in-kind – from ordinary citizens and businesses. Often these are for use in other Arab communities, such as Lebanon, the State of Palestine or Yemen. As of 2010, the total value of cooperation generated by Saudi public campaigns and committees officially exceeded \$388 million. Meanwhile, many of the private foundations that have a strong presence outside of Saudi Arabia are led by members of the royal family, including the Alwaleed Bin Talal Foundation, which in 2010 received a special humanitarian award for Arabian business achievement. The Foundation’s activities encompass countries such as Egypt, Morocco, the Syrian Arab Republic and Tunisia, with direct bilateral contributions to targeted communities in these countries and additional funds channelled through the United Nations, non-governmental organizations (NGOs) and other foundations.

Pivotal Arab Providers of SSC: Egypt, Morocco, Qatar, Tunisia

Other emerging middle-income countries in the region are actively engaging in SSC. For example, Egypt embodies a trend among Arab countries that are becoming pivotal providers of cooperation even as they continue to be recipients. These countries thus fit very well into the SSC framework by having a deep understanding of both sides of development partnerships.

Egypt has taken a strong lead in SSC through its special funds for technical cooperation with other regions as well as through trilateral cooperation with the Islamic Development Bank, Japan and Turkey. Under the Egyptian Fund for Technical Cooperation with Africa, Egypt has provided more than 250 short- and long-term experts to some 30 African countries for training and facilitation of knowledge-sharing in a variety of sectors, including water resources, health, agriculture and education.

It also has held more than 50 training courses in policing, nursing, judiciary, diplomacy, agriculture and media. In one of its most successful initiatives, the Fund has enhanced capacities in river engineering throughout the Nile Basin with the establishment of the Nile Basin Capacity Building Network, which comprises more than 500 water professionals. This network has further facilitated more than a dozen joint applied research groups and

three dozen collaborative research reports. Also in the area of water, the National Water Research Centre gives special attention to hydraulic engineering and environmental hydrology for arid and semi-arid regions and has benefited more than a dozen Arab countries. In health, the Egyptian Fund

Saudi Arabia has fostered a distinctive form of resource mobilization in the form of “public campaigns”, which are semi-public, semi-private mechanisms for the Government to mobilize private humanitarian donations – financial or in-kind – from ordinary citizens and businesses. Often these are for use in other Arab communities, such as Lebanon, the State of Palestine or Yemen.

for Technical Cooperation with Africa has dispatched expert engineers in medical equipment maintenance to Cameroon to train counterparts in effective ways to limit infections from contaminated equipment.

Another fund, the Egyptian Fund for Technical Cooperation with the Commonwealth, Islamic European States and Newly Independent States, has organized more than 1,000 training courses for 20,000 trainees in areas such as tourism, crime and investigation, processing of agricultural products, Arab culture and language, the establishment of charitable organizations and medical industries. Countries across the Commonwealth of Independent States (CIS) have benefited; for example, Egypt has trained more than 1,200 scholars from Kazakhstan alone through 170 training courses. Through the New Partnership for Africa's Development (NEPAD), the planning and coordinating body of

Under the Egyptian Fund for Technical Cooperation with Africa, Egypt has provided more than 250 short- and long-term experts to some 30 African countries for training and facilitation of knowledge-sharing in a variety of sectors, including water resources, health, agriculture and education.



the African Union, Egypt also has assisted countries such as Uganda to develop substantial technical and human capacity. Aquatic weeds had blocked numerous major Ugandan lakes, causing shoreline flooding and leading to serious economic, social and health issues among millions of people living nearby. At present, the Uganda freshwater fishing industry has been effectively rehabilitated, and Ugandans themselves are able to operate specialized equipment to control the aquatic weeds.

Egypt also has launched the Centre for South-South Industrial Cooperation for transferring technology and promoting innovation-based industrial development among African States. The country is particularly trying to establish itself as a significant provider of SSC in information and communication technologies (ICTs). On the recipient side, the Government has launched the Egypt ICT Trust Fund as a mechanism to promote ICTs in community development, agriculture, education and health and for small and medium-sized enterprises as well as for people with disabilities, which again may offer models for replication. At the same time, Egypt has been a major recipient of Arab multilateral assistance, with, for example, the multilateral Gulf Organization for the Development of



Morocco's provision of expertise and training from the National Office for Electricity and Potable Water was instrumental in assisting in the capacity-building of the national water utility in Mauritania in yet another example of how vital the water sector is to SSC among Arab countries.

Egypt established for the sole purpose of developing the country.

Morocco likewise has emerged as a leader in promoting SSC, with King Mohammed VI making several tours to Sub-Saharan African States, most recently in March 2013, to strengthen longstanding cooperation there. Like Egypt and other Arab countries, Morocco is simultaneously a major recipient of Arab multilateral assistance. South-South economic development is a top priority for the country, which has held "export caravans" showcasing sectors such as building materials, electricity, finance and pharmacy. The King also has encouraged the deployment of graduates of Moroccan engineering schools to assist in development projects in rural electrification or water management. Notably, Morocco's provision of expertise and training from the National Office for Electricity and Potable Water was instrumental in assisting in the capacity-building of the national water utility in Mauritania in yet another example of how vital the water sector is to SSC among Arab countries.

Morocco has a formal SSC Partnership with Gabon, Mauritania and Senegal in support of decentralization and local development, which fosters the sharing of experiences, exchanges of experts and the setting up of knowledge networks. It also has built knowledge to reform hospital management in Senegal and has strengthened courts of accounts in Lebanon. A new South-South knowledge network, already benefiting countries in Africa, Asia and Latin America, is to be found at the Gender Responsive Budgeting Centre of Excellence, which offers sharing of experiences and communities of practice to support gender-sensitive public finance management and assessment of policies.

Qatar is raising its cooperation profile, particularly in multilateral and regional initiatives, through a range of investments as well as key diplomatic initiatives. It has, for example, contributed substantially to help to launch the South Fund for Development and Humanitarian

Assistance as the development fund of the influential Group of 77 (G-77). It is also noteworthy that Doha hosted the Second-South Summit in 2005, in which southern leaders committed to redouble their efforts to promote cooperation among their countries. The Summit adopted the Doha Declaration and the Doha Plan of Action, which had called for expansion of trade among the countries of the South and cooperation in the field of human and technical resources, including areas of information and communication.

In 2007, Qatar chaired the United Nations High Level Committee on cooperation among the countries of the South, and in March 2009 the country hosted the Second Summit of Arab and South American countries, which has become an important tool in promoting economic, technical and political cooperation besides enhancing capacity - building and exchange of best practices in the field of development.

Qatar also has hosted the High-Level Meeting on Oil and Gas Management, which brought together senior officials of 42 countries and in turn gave rise to the sharing of comparative country experiences at the 2008 International Conference on Fuelling Poverty Reduction with Oil and Gas Revenues. Particularly with the advent of the Arab Spring, Qatar and others among the region's richer countries have used cooperation to attempt to minimize the destabilizing impact of regional transitions. For example, in 2011 Qatar extended financial cooperation to the opposition National Transitional Council in Libya and helped it to sell oil on international markets.

Another pivotal Arab country, Tunisia, has been one of the first in the South to develop a formal SSC policy. Programmes and projects are implemented by the Tunisian Agency for Technical Cooperation. In particular, Tunisia has sent teachers to neighbouring countries in Africa and cooperated widely on family planning and reproductive health; nonetheless, it, too, continues to be a recipient country as well. In one recent initiative, Tunisia and Egypt have been collaborating to use the results of scientific research to develop small enterprises in rural areas and tackle youth unemployment in both countries, considered a key contributing factor to the events of the Arab Spring.

Training and foreign executive development represent a key component of Tunisian technical cooperation. The Tunisian Agency for Technical Cooperation organizes training, including tailor-made training, and advanced courses for Southern professionals in fields such as basic health, women's advancement, environment, adult literacy, vocational training, promotion of small and medium-sized enterprises, project management and trade negotiations. In addition, Tunisia is taking its first steps towards boosting scientific links with other developing countries following the 2011 revolution; in 2012, Tunisia and India agreed to pursue collaboration between researchers in biotechnology and medical sciences from both countries.

Part of Tunisia's success in SSC has arisen from basing its technical assistance on its own experiences. For example, it significantly improved access to reproductive health services in the Kollo District of Niger by applying a proven model of mobile clinics and personalized education for different target groups and by fully involving community leaders in the programme. This experience, which has been replicated in other Arab countries with the technical assistance of Tunisian experts, helped Tunisia to receive the United Nations South-South Cooperation Award in 2008. As with the Kollo Project, which was supported by France, Tunisia is particularly active in triangular cooperation and has implemented nearly 70 such projects; in 2009 alone, it reported 12 such arrangements.¹²

Beyond Tradition: The Emerging Tier of Arab SSC Providers

Algeria has been an especially active participant in regional projects of cooperation through NEPAD, including in such areas as agriculture, trade, industry, technology transfer, investments in the economic sector (hydrocarbons, telecommunications) and health education. It also has played an important

¹² Special Unit for South-South Cooperation, UNDP, *Enhancing South-South and Triangular Cooperation*, New York, 2009. Available from http://southsouthconference.org/wp-content/uploads/2009/10/E_Book.pdf, p. 150.



Part of Tunisia’s success in SSC has arisen from basing its technical assistance on its own experiences. For example, it significantly improved access to reproductive health services in the Kollo District of Niger by applying a proven model of mobile clinics and personalized education for different target groups and by fully involving community leaders in the programme.

role in Arab-South America relations and is hosting the Arab-South American Library to promote cultural exchange between both regions.

To reduce poverty through the promotion of science and technology, Algeria also initiated the creation of the Africa-Asia Development University Network together with South Africa, Indonesia and Japan. This has facilitated the strengthening of intellectual ties between the two regions through the sharing of innovative technologies and solutions as well as research on sustainable water management, renewable energy, women in the development of science and technology, ecosystems, food security and public health. In addition, the Algiers-based Commission for Controlling Desert Locusts in the Western Region has been key in providing experts and equipment from Algeria, Libya, Morocco and Tunisia to prevent swarms of locusts from devastating crops and pasturelands across West Africa (Chad, Mali, Mauritania, Niger and Senegal).



To reduce poverty through the promotion of science and technology, Algeria also initiated the creation of the Africa-Asia Development University Network together with South Africa, Indonesia and Japan. This has facilitated the strengthening of intellectual ties between the two regions through the sharing of innovative technologies and solutions.

In Bahrain, the Investment and Technology Promotion Office brings together the Ministry of Finance, the United Nations Industrial Development Organization, Kuwait Finance House-Bahrain, the Organization for Economic Cooperation and Development (OECD) and regional multilateral partners. It mobilizes financial, technological, knowledge and managerial resources from Bahrain and the Arab region to assist developing countries and economies in transition. In parallel, it has developed the Enterprise Development and

Investment Promotion Programme and co-organized the First Arab International Forum for Young Entrepreneurs and Businesspersons, held in Lebanon in 2011, an event that attracted 500 participants from 52 countries.

Djibouti is exploring SSC in Sub-Saharan Africa, most recently with Gabon. In particular, it can offer expertise in port and rail development, an area of special interest to Gabon because it plans to build the largest deep water port in the Gulf of Guinea. As a recipient, Djibouti also has benefited from learning about direct cash-transfer systems and cash for work in Benin and Ethiopia. Like Djibouti, the State of Palestine also is exploring the potential of SSC, focused currently on the South American country of Bolivia and targeting tourism, agriculture and financial and banking services.

Jordan, as a pioneer in the region helping to ensure that women and children are protected against violence, has cooperated to build the capacity of the Iraq Family Protection Unit, using its own model of units staffed with a wide range of professionals, including police, social workers and psychologists. In agricultural capacity development, it has provided technical expertise in crop production, irrigation, marketing and livestock in Yemen, contributing to increased agricultural production and food security there. Earth scientists from Israel, Jordan and the State of Palestine formed a research partnership to map seismic activity in the region, working together to map a 100-square-kilometre area around the ancient city of Jericho, which is located in one of the world's most vulnerable areas for earthquakes. With Kazakhstan, which is creating its first virtual university, Jordan is supporting the establishment of e-learning programmes. Jordan and Kazakhstan also have created a joint business council that organizes forums to promote investment in technology-based businesses and enhance technology transfer in ICTs, mining and pharmaceuticals. On the benefiting side, Jordan's cooperation with Turkey has resulted in the establishment of an organization of neighbourhood disaster volunteers in Petra, a World Heritage Site vulnerable to flash floods, earthquakes and climate change.

The tobacco monoculture that had come to dominate agriculture in southern Lebanon provided the stimulus for an innovative SSC pilot within the framework of the Sustainable Development Initiative in the Arab Region, adopted by the Council of Arab Ministers Responsible for the Environment. This recognizes the threat of biodiversity loss and emphasizes environmental conservation to achieve sustainable development. The pilot is implemented through partnerships between Arab countries and among organizations within countries. To generate income opportunities beyond tobacco for small-scale farmers through the



In Bahrain, the Investment and Technology Promotion Office mobilizes financial, technological, knowledge and managerial resources from Bahrain and the Arab region to assist developing countries and economies in transition. In parallel, it has developed the Enterprise Development and Investment Promotion Programme

In agricultural capacity development, Jordan has provided technical expertise in crop production, irrigation, marketing and livestock in Yemen, contributing to increased agricultural production and food security there.



cultivation and processing of zaatar and sumac, Lebanese varieties of herbs were identified and local capacity facilitated in the propagation of these herbs in greenhouses as well as in backyards; previously, these herbs had been collected from the wild in an ad hoc manner. Farmers were trained in the use of drip irrigation, intercropping schemes and effective post-harvest processing. Now, not only is the Government using the pilot as a basis to establish national standards for Lebanese zaatar varieties but also lessons learned have been transferred to other countries in the region interested in protecting local crop varieties.

Meanwhile, Sudan is facilitating trade with Egypt through the construction of a 280-km coastal road between the two countries. As with the example from Kuwait, this initiative offers much beyond the mutual investment benefits; the road is expected to play a key role in South-South development cooperation by contributing to poverty reduction, given that poor road infrastructure represents a critical obstacle to development in Sudan. The Central Bank of Sudan also has supported a recent regional workshop on

the basic principles of Islamic microfinance for poverty reduction for Djibouti, Ethiopia, Kenya and Somalia. Best practices highlighting the Sudanese model and from elsewhere in the region also were shared. In particular, this exchange of knowledge is expected to assist Somalia to institutionalize the microfinance industry and integrate it into the country's recovery.



Sudan is facilitating trade with Egypt through the construction of a 280-km coastal road between the two countries.

Lastly, Yemen provides a noteworthy example of civil society engagement in SSC. Yemeni civil society organizations (CSOs) have cooperated with India on an initiative to fight corruption in 24 districts of 12 selected governorates in the country. Nearly 400 journalists and 600 members from local councils and CSOs have been trained in public-resource monitoring techniques and enacting right-to-information laws.

A Growing Emphasis on Social Sectors and Infrastructure

The sectoral focus of Arab development support has shifted in response to new priorities and financing modalities even as the geographic focus also has expanded. In the 1970s and 1980s, Arab countries and financial-assistance agencies focused heavily on infrastructure development. This remains important, but as Arab countries have subscribed to Millennium Development Goal (MDG) targets, greater emphasis is being placed on agriculture and food security, poverty reduction, and health, education and social protection. In addition, technical cooperation in the areas of science and technology is becoming more prominent.

In terms of types of assistance, about 90 percent of all South-South development cooperation comes in the form of project finance and technical assistance, according to the United Nations Secretary-General.¹³ Thus, Arab countries are engaging in technical cooperation across the increasingly wide variety of sectors noted earlier; this technical assistance is primarily used for project preparation, with large, multi-year project commitments favoured. Arab providers also have been noted for their generosity in contributing to South-South humanitarian assistance. According to United Nations estimates, Saudi Arabia has emerged as the world's largest humanitarian provider;¹⁴ its humanitarian assistance stood at \$256 million in 2010. In addition, the United Arab Emirates was surpassed only by Luxembourg and Norway in contributing the most humanitarian assistance per capita in 2009, providing up to \$121 per person. Meanwhile, among the 11 countries providing totals of \$1 million to \$25 million that year were Qatar (\$13 million) and Oman (\$2 million).¹⁵ At the same time, Arab countries are among those where needs emanating from humanitarian crises remain the highest, such as the State of Palestine and Sudan. Qatar in April 2013 donated \$500 million to the Darfur region of Sudan.

Reconstruction from conflict also represents a recurring theme for Arab bilateral cooperation. For



Yemeni civil society organizations (CSOs) have cooperated with India on an initiative to fight corruption in 24 districts of 12 selected governorates in the country.

In terms of types of assistance, about 90 percent of all South-South development cooperation comes in the form of project finance and technical assistance.

¹³ United Nations, Economic and Social Council (2008), Trends and progress in international development cooperation (E/2008/69), p. 24. Available from <http://www.unescap.org/pdd/calendar/DCF/SG's%20report%20DCF,%20DCF%202008%20first%20session.pdf>.

¹⁴ Calculated by gross domestic product per capita.

¹⁵ Development Initiatives, Global Humanitarian Assistance Report 2011, Somerset, United Kingdom, 2012.



Arab countries were among the first developing countries to establish specialized institutions for cooperation with low-income countries. Financial resources from these institutions that support SSC increased substantially in real terms between 1990 and 2008, by 4.4 percent per year.

example, triangular cooperation with Japan has facilitated both Egypt's and Jordan's support of Iraqi reconstruction in areas such as medical services, electricity, water resource management, agriculture and cultural heritage preservation following the second United States-led operation there. The Egyptian National Urban Planning institute also has assisted in building the capacity of more than 250 urban planners and technical staff in Iraq in reconstruction and local economic-development planning. Following the war between Israel and Lebanon in 2006, Arab countries and funds also allocated significant amounts to the reconstruction of Lebanon, including a \$300 million grant by the Kuwait Fund for Arab Economic Development to rebuild 24 villages and construct schools, hospitals and emergency centres.

1.2.2 Major Multilateral and Regional Contributors to South-South Cooperation

Arab countries were among the first developing countries to establish specialized institutions for cooperation with low-income countries. Financial resources from these institutions that support SSC increased substantially in real terms between 1990 and 2008, by 4.4 percent per year. At the same time, multilateral assistance still stands at only 13 percent of overall Arab cooperation and offers considerable scope for expansion, given that the OECD norm for multilateral assistance is 30 percent of cooperation.¹⁶ Significantly, more than half of the cooperation by Arab multilateral institutions in recent years also has been with non-Arab countries, particularly with Sub-Saharan Africa, again underscoring the rapidly broadening focus of assistance. Nonetheless, mandates of some Arab multilateral institutions require them specifically to foster economic and social development in Arab States.

Co-financing and Pooling of Resources for Long-standing, Effective Coordination

Critically, Arab multilateral providers have coordinated their assistance policies and operational procedures from an early stage and have developed a standard regulatory framework. The Coordination Group of Arab National and Regional Development Institutions facilitates dialogue and cooperation among specialized financial institutions. Serving a wide range of low-income and lower-middle-income countries, key Coordination Group institutions include the Islamic Development Bank, the Arab Fund for Economic and Social Development, the Arab Bank for Economic Development in Africa and the OPEC Fund for International Development.¹⁷ The Islamic Development Bank, for example, focuses on human resource development, including through its technical cooperation programme and its science and technology programme. In both cases, it recruits experts who can provide

¹⁶ Ibid. World Bank

¹⁷ The Islamic Development Bank and the OPEC Fund for International Development are not exclusively Arab-financed.



advisory services for capacity-building purposes; provides on-the-job training, both formal and through study visits; and organizes workshops and seminars. All participating member countries have benefitted from this programme. The technical cooperation programme alone has trained more than 15,000 persons, provided the opportunity for more than 16,200 Southern specialists to share their knowledge and experiences in numerous forums, and enabled the provision of 500 Southern experts.

Other Arab providers affiliated with the Coordination Group include the Arab Monetary Fund and the Arab Gulf Programme for United Nations Development Organizations, which has a more explicit focus on poverty reduction and sustainable human development. With the exception of the Arab Monetary Fund, which provides balance-of-payments and budget support, and the Islamic Development Bank, which also is heavily engaged in trade finance, all other agencies focus largely on investment project and programme financing.

Co-financing is the principal mechanism through which the Coordination Group agencies collaborate, providing structure and consistency and representing a major achievement in helping to fulfil their development mandate. Effective aid coordination has succeeded in mobilizing the financing required for several large infrastructure projects, including dams in Algeria and Sudan, water transfer in Lebanon, power generation in Egypt and social development in Yemen. In 2008, the organizations of the Coordination Group, excluding the Arab Gulf Programme for United Nations Development Organizations, engaged in 184 SSC projects worth \$5.5 billion; through the end of that year, they reported cumulative contributions of \$90.5 billion since their respective dates of founding.¹⁸ With a concentration on infrastructure, Arab financial institutions have particularly fostered regional economic integration, enlarging domestic markets and making more efficient use of available resources through such projects as the Arab Fund for Economic and Social Development interconnection of Arab electricity grids and the Islamic Development Bank support to Trans-Saharan and Trans-Sahel roads. At the same time, the Arab Fund for Economic and Social Development, the Arab Bank for Economic Development in Africa, the Kuwait Fund for Arab Economic Development and the OPEC Fund for International Development have all developed prominent portfolios in the critical agriculture sector, which is key to enhancing food security as well as poverty reduction.

Co-financing is the principal mechanism through which the Coordination Group agencies collaborate, providing structure and consistency and representing a major achievement in helping to fulfil their development mandate.

Cooperation with other Arab countries also has occurred through the pooling of resources for development. This is well illustrated by the role played by

¹⁸ Debra L. Shushan and Christopher Marcoux, "The Rise and Decline? of Arab Aid: Generosity and Allocation in the Oil Era," *World Development*, 39 (11): 1969-1980, November 2011.



the Gulf Cooperation Council (GCC, comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates) through its stabilization fund for troubled economies such as Yemen; Saudi Arabia alone pledged \$1.25 billion through this fund in 2009.¹⁹ In 2011, the GCC provided some \$27 million in grants to assist Egypt and Tunisia during events of the Arab Spring, including contributions for the evacuation of thousands of people stranded at the borders. It has initiated a number of trade negotiations with regional and sub-regional blocs of developing countries, benefiting human development through increasing economic growth, employment and productivity; this includes an important free trade agreement with MERCOSUR (Argentina, Brazil, Paraguay, Uruguay and Venezuela (Bolivarian Republic of)). Lastly, it has founded the Gulf Organization for Industrial Consulting and established an Arab Humanitarian Portal to facilitate regional information sharing.

Other crucial multilateral institutions with regard to Arab SSC include the League of Arab States, which has propelled SSC policy dialogue among Arab countries through hosting the annual Arab summits. The Arab League also has helped to found the South American and Arab Countries Summit and has hosted the Afro-Arab Summit. It further offers intra-regional SSC frameworks through institutions such as the Arab League Educational, Cultural and Scientific Organization and the Council of Arab Economic Unity. For other regions, its Arab Fund for Technical Assistance to African Countries is particularly active. HIV and AIDS and migration issues have been the focus of a number of countries, including through the Arab League. Member States have supported the Arab AIDS Initiative and agreed to develop a unified Arab AIDS strategy. Similarly, Arab League members are encouraging joint Arab activities in the field of labour migration (Egypt, Libya, and Tunisia) and developing a unified Arab migration strategy.

The Organization of Islamic Cooperation (formerly the Organization of Islamic Conference) (OIC) likewise is a key multilateral provider, as is the African Union through NEPAD. The latter has played a leading role in presenting a common position and consensus on aid policy. This common position recognized that research and innovation, strategically designed institutional arrangements, and

knowledge and learning platforms all require further strengthening to help to expand SSC policy frontiers.²⁰ The African consensus included Algeria, Djibouti, Egypt, Libya, Sudan and Tunisia. Lastly, important international multilateral organizations that support SSC include United Nations agencies; the Economic and Social Commission for Western Asia (ESCWA), and the World Bank (see also the subsection below).

Multilateral organizations are particularly well placed to facilitate South-South matchmaking, improve capacities of South-South partners, enable the emergence of good practices through documentation and learning, and ensure communication and increasing collaboration.

Multilateral Organizations as Potential Matchmakers: the Islamic Development Bank, the United Nations System and Others

Multilateral organizations are particularly well placed to facilitate South-South matchmaking, improve capacities of South-South partners, enable the emergence of good practices through documentation and learning, and ensure communication and increasing collaboration. As a whole, the mechanism of triangular cooperation in particular has been identified as useful for strengthening overall SSC policy and institutional frameworks.²¹

An especially innovative matchmaking example is offered by the Islamic Development Bank, which is moving to facilitate and enable a unique and

¹⁹ Kristian Coates Ulrichsen, "South-South Cooperation and the Changing Role of the Gulf States," *Austral: Brazilian Journal of Strategy and International Relations*, 1(1): 103-123, January-June 2012.

²⁰ African Union/New Partnership for African Development, *African Consensus and Position on Development Effectiveness*, presented at the Fourth High Level Forum on Aid Effectiveness, Busan, Republic of Korea, November 2011.

²¹ *Ibid.* World Bank,

mutually beneficial arrangement that ensures that member countries themselves are the primary and direct agents in the provision of expertise, knowledge, success stories, best practices and other specialist services to address specific development constraints or exploit unique opportunities in other member countries.

As the only multilateral development bank whose membership is drawn entirely from the South, the Islamic Development Bank has long championed and pioneered a South-South development approach, in addition to project and trade financing, as a practical expression of unity and solidarity among its member countries. In addition to its numerous flagship programmes on enhancing member-to-member partnering arrangements, it has recently introduced the innovation of “reverse linkages” to take cooperation activities to higher levels, including through its medium-term business plans and partnership strategies. The reverse linkages are designed to strengthen capacity development and twinning arrangements, facilitate cross-border investments, promote regional cooperation, and leverage resources and other shared endeavours, all of which are expected to contribute to speeding up the development process of member countries. Provider countries can not only expand inter-country partnerships but also increase their visibility as emerging participants in SSC and capitalize on greater opportunities for trade, market access and joint ventures. Recipient countries can obtain expertise in various domains at low cost as well as tested and adapted technology, while benefiting from similar social and cultural situations for more appropriate solutions to development issues and boosting the strength of their regional integration.

As the only multilateral development bank whose membership is drawn entirely from the South, the Islamic Development Bank has long championed and pioneered a South-South development approach, in addition to project and trade financing, as a practical expression of unity and solidarity among its member countries.

Lastly, for its part, the Islamic Development Bank is proactively functioning in a catalytic role that deepens its traditional South-South orientation. This will help it to achieve its core mandate and increase development effectiveness and impact as well as to ensure smooth and sustained implementation of reverse-linkage operations. Such an initiative recognizes that all member countries, including LDCs such as Bangladesh, have expertise to share in one or more fields. For example, the Islamic Development Bank recently facilitated the transfer of expertise and knowledge from the Bangladesh Rural Advancement Committee, the prominent Bangladeshi poverty reduction organization, and Bank Al-Usra, the first microfinance bank in Sudan. The Bangladesh Rural Advancement Committee helped to set up Bank Al-Usra’s systems and trained Al-Usra staff in microfinance; now, Al-Usra is assisting in implementing successful microfinance projects across Sudan, with the possibility of extending its expertise to other Islamic Development Bank member countries.

The Framework of operational guidelines on United Nations support to South-South and Triangular Cooperation, prepared in 2012, is a similar and important framework for mainstreaming SSC in support for development



in the region. At the 2009 High-level United Nations Conference on South-South Cooperation in Nairobi, participants particularly requested the United Nations system to help developing countries to establish or strengthen South-South centres of excellence.²²

In the Arab region, the United Nations system has already undertaken support to incorporate South-South approaches into national and regional development planning and programming in Egypt, Jordan and Tunisia. It also has assisted Saudi Arabia to become one of only five countries worldwide to have a specific country-level outcome related to SSC in its medium-term plan between the Government and the United Nations. In leveraging their global reach and policy and/or institutional capacities as well as their networks of country offices, numerous United Nations agencies are giving particular focus to strengthening their own capacities for research and monitoring of SSC; support to South-South policy dialogue and unified systems of best practices; knowledge mobilization for mutual learning, particularly through the building of Web-based platforms; innovations for scaling up impact and piloting of the requested centres of excellence.

The United Nations Office for SSC (UNOSSC), hosted by the United Nations Development Programme (UNDP), serves as the a substantive secretariat for the High-level Committee on SSC, the main policy-making body on SSC in the United Nations system.

The United Nations Office for SSC (UNOSSC), hosted by the United Nations Development Programme (UNDP), serves as the a substantive secretariat for the High-level Committee on SSC, the main policymaking body on SSC in the United Nations system. In carrying out its mandated roles as a global and United Nations system-wide South-South advocate, coordinator and facilitator, it provides policy advice and technical support to national South-South focal points of Member States; United Nations system organizations, funds and programmes; regional commissions; United Nations Country Teams and UNDP country offices with the aim of mainstreaming the application of the South-South and Triangular Cooperation approaches in all relevant operational activities for development. UNOSSC organizes events such as the annual Global South-South Development Expo to showcase proven South-South development solutions and promote dialogue among SSC and triangular cooperation practitioners. It also manages the United Nations Fund for SSC. Through this Fund, Algeria and Egypt, for example, have provided resources for tsunami-affected countries. The Arab States

Regional Office of UNOSSC, through the UNDP Regional Centre in Cairo, is preparing to offer a number of important services such as a Regional South-South Development Academy, including self-learning modules, expert rosters and documentation of solutions; a regional South-South Development Expo for policy dialogue and supply-and-demand “matchmaking”; a regional South-South Assets and Technology Exchange; and a regional South-South Partnerships Facility.

The Arab States Regional Office of UNOSSC, through the UNDP Regional Centre in Cairo, is preparing to offer a number of important services such as a Regional South-South Development Academy, including self-learning modules, expert rosters and documentation of solutions; a regional South-South Development Expo for policy dialogue and supply-and-demand “matchmaking”; a regional South-South Assets and Technology Exchange; and a regional South-South Partnerships Facility.

²² High-level Committee on South-South Cooperation (2012), Note by the Secretary-General on the framework of operational guidelines on United Nations support to South-South and Triangular Cooperation (SSC/17/3). Available from http://ssc.undp.org/content/dam/ssc/documents/HLC%20Reports/Framework%20of%20Operational%20Guidelines_all%20languages/SSC%2017_3E.pdf.



In a regional United Nations framework supportive of SSC, ESCWA is emphasizing science, technology and innovation through its ESCWA Technology Centre, established in Jordan in 2010. Focused on the construction industry, industrial technologies, energy, ICT, agriculture and water, it specifically aims to assist Arab countries to attain technological parity with other countries and regions. The GCC, meanwhile, has founded a number of regional economic organizations, as noted in section 1.2.2, while the G-77 offers the Pérez-Guerrero Trust Fund for South-South Cooperation as an important resource. The International Trade Centre, jointly operated by the United Nations Conference on Trade and Development and the World Trade Organization, runs a number of programmes to enhance Arab capacity for trade.

Another of the main SSC financial instruments is the World Bank South-South Experience Exchange Facility, which functions as a flexible funding mechanism to facilitate knowledge-sharing and innovations of developing countries. The Task Team on SSC, a platform shared by OECD members and partner countries, likewise plays an important role by focusing on documenting, analysing and discussing SSC practices. Lastly, the African Peer Review Mechanism, developed within the framework of NEPAD, is a unique example of self-monitoring and collaboration through peer exchanges across countries on good governance of the development process. It comprises some 30 countries, including Algeria, Djibouti, Egypt and Sudan.

1.3 Strengths and Key Challenges

For SSC as well as triangular cooperation to have their intended impact, it is necessary to improve overall policy frameworks, governance, coordination, structures, mechanisms and dedicated resources.²³ While parts of the Arab SSC system, such as formal institutional frameworks, remain underdeveloped, others can be highly complex albeit ad hoc. For example, numerous institutional mechanisms exist to provide Arab humanitarian assistance. Congruent with the Nairobi outcome document, five key enablers have played increasingly prominent roles in Arab countries' contributions to SSC, constituting key strengths and making numerous Arab States models for other Southern countries.

Parts of the Arab SSC system, such as formal institutional frameworks, remain underdeveloped, others can be highly complex albeit ad hoc.

First, Arab financial assistance is noteworthy for its partnership with recipient countries; in practice, this means that burdensome policy conditions are not attached to the loans provided. Arab financial resources are frequently directed towards priorities set by national authorities of recipient countries. Concessionality also may vary even within agencies, with, for example, the Arab Fund for Economic and Social Development charging higher interest rates for more developed countries (Egypt, 4.5 percent) than those considered less developed (Libya, Sudan, 3 percent).²⁴

Second, early and effective coordination has begun to shape a sound SSC architecture specific to Arab countries. This in turn has enabled Arab countries and institutions to capitalize on synergies between South-South development cooperation and broader development effectiveness.

Third, Arab providers overall have placed a growing emphasis on enhancing the role of the private sector in SSC. The Arab Fund for Economic and Social Development, the Islamic Development Bank and the OPEC Fund for International Development have all set up facilities to provide loans, equity investments and technical assistance to selected private enterprises in areas such as agro-industry,

²³ Ibid. High-level Committee on South-South Cooperation (2012.)

²⁴ Espen Villanger, Arab Foreign Aid: Disbursement Patterns, Aid Policies and Motives, Chr. Michelsen Institute (CMI) Report (R2007: 2), Bergen, Norway, 2007. Available from <http://www.cmi.no/publications/file/2615-arab-foreign-aid-disbursement-patterns.pdf>.

manufacturing, infrastructure, mining and tourism. This often comprises a substantial proportion of total project financing; however, evidence indicates that private-sector investment varies by sector, with telecommunications dominated by private-sector flows in contrast to transport or power.

Fourth, capacity development itself should be seen as a core enabler. In the Nairobi outcome document, proximity of experience is recognized as a key catalyst in promoting capacity development of developing countries, accentuating principles of SSC. For example, a distinctive feature of Arab technical assistance is its emphasis on involving technical advisers from developing countries and twinning institutions across countries.

Fifth, the mainstreaming of SSC is increasingly ensuring its alignment with national development priorities and trends. In this, the United Nations system, through UNOSSC, can be particularly supportive (see subsection 1.2.2).

Three Key Challenges: National Capacities, Improved Coordination and Greater Transparency, and Sufficient Funding

Three major challenges stand out: (a) strengthening relevant national capacities along with policies and coordination mechanisms; (b) ensuring adequate monitoring and evaluation, thereby increasing transparency and accountability, complemented by accessible and comprehensive data on SSC in the region; and (c) ensuring sufficient SSC funding and other resources required for South-South transfers to happen.

Clearly, SSC mechanisms have never been more relevant for the Arab States than they are today. Even as seizing opportunities will depend on progress in many factors, three major challenges stand out: (a) strengthening relevant national capacities along with policies and coordination mechanisms; (b) ensuring adequate monitoring and evaluation, thereby increasing transparency and accountability, complemented by accessible and comprehensive data on SSC in the region; and (c) ensuring sufficient SSC funding and other resources required for South-South transfers to happen. Addressing all these challenges can help Arab countries to achieve their vision for sustainable human development.

In terms of further capacity development, meetings at the regional level as well as sub-regional and bilateral meetings provide important opportunities for matching SSC supply and demand. Yet while coordination is well established at the regional level among multilateral institutions through the Coordination Group, very few individual Arab countries appear to have an overall national policy on SSC (Tunisia being an exception); some have country- or issue-specific SSC strategies aimed primarily at the medium term. In the absence of a central “matchmaking” platform, countries tend to use a range of tools to offer and request knowledge and expertise from their peers, including political relations, thematic workshops/conferences, institutional arrangements and multilateral networks. Organizations promoting triangular cooperation, including from traditional donor countries, also have yet to develop policy and institutional frameworks to guide these efforts. However, the development of national-level coordination mechanisms on South-South and Triangular Cooperation can provide greater synergies, resource mobilization and upstream policy advice for all countries (see also section 3).

Many countries of the Arab region still do not have the capacity to address a number of SSC challenges, including knowledge transfer.

Thus, at this stage, many countries of the Arab region still do not have the capacity to address a number of SSC challenges, including knowledge transfer. Consequently, a need exists for additional assistance to help to build



links between countries. Limited capacity in articulating or assessing needs and developing specific programmes and projects particularly imposes constraints on the use of demand-driven approaches. Other impediments include limited information at the stage of needs matching and a need for wider participation of recipient countries in programme and project development.

Strengthening of national and regional capacities, while supporting the use of comparative advantages, can also result in the formulation of comprehensive national policies and institutional change; this, in turn, can bolster capabilities to address issues of equity and sustainability. In general, Arab countries and financial assistance organizations can make their large development and humanitarian contributions more effective with strengthened institutional infrastructure and qualified staff and with more resource-efficient and nationally owned Southern solutions. Some countries, including Qatar and the United Arab Emirates, have recently moved in this direction by providing comprehensive training in skills needed at the international level, including in crisis and disaster management.

Operational mechanisms and the systematic collection and compilation of information on SSC as well as the reporting of this information to the public are still limited in many countries. Making both analyses of Arab assistance and a wider spectrum of statistical material widely available will be critical as Arab providers' influence continues to expand. Real-time access to South-South-related information could, for example, provide important relevant "matching" information as well as mapping services (see also section 3). Broadly, strengthening of systems for the collection and reporting of information on SSC could ensure more accurate and comparable cooperation data and documenting of the degree to which cooperation contributes to poverty reduction. While Arab multilateral providers generally document their activities well, bilateral providers require further strong support. In particular, little information has been available on the monitoring and evaluation procedures of Southern providers, including in Arab countries. Strengthening mechanisms in this regard, as in the real-time access noted above, can assist in ensuring that results of SSC programmes and projects are increasingly measurable at the outcome and impact levels. Tunisia, with its more formalized system under the Tunisian Agency for Technical Cooperation, offers an example of systematic monitoring and evaluation and verifiable indicators to manage results.

Moreover, given the cost-effectiveness of SSC, it is increasingly urgent to be able to count on reliable funding for such cooperation. No single document or database yet accounts for SSC sources and/or funds in the region, and updating of information that is available on sources of financing will be necessary. This could be achieved through the establishment of a facility for scaled-up exchanges of South-South solutions, technologies and expertise, filling in financial gaps when such gaps cannot be otherwise addressed.

1.4 Moving Forward: Opportunities for Greater Collaboration

The global rebalancing examined at the beginning of this paper holds profound implications for the future of SSC and for Arab countries alike. Arab policymakers, promoting a pragmatic mix of State guidance and private initiative, have key opportunities for deeper engagement with layers of global governance as this genuinely multi-polar international system evolves. Showing that crisis can also be seen as opportunity, the Arab Spring has particularly opened up space for governments in the region to re-examine and prioritize their public spending, including on SSC. At the same time, traditional Western donors can learn from how Arab providers of cooperation have successfully practised horizontal partnerships.

A number of entry points for greater collaboration are emerging. In particular, one area with strong potential for intra-regional expansion is the use of trade and investment to foster development in

other Arab countries that are targeted with assistance.²⁵ There also exist notable examples of growing engagement by Arab providers with the global development architecture. For example, in 2010, the United Arab Emirates, through its new Office for the Coordination of Foreign Aid, reported its ODA to OECD for the first time and was the first non-OECD Development Assistance Committee (DAC) member to report to the DAC system in such a detailed manner. This can be complemented by Arab providers' increasing harmonization through co-financing and pooling of funds. In addition to the efforts that countries of the Arab region can make on their own to finance SSC, there exist opportunities in regional and multilateral scenarios to gain access to further such resources.

As the countries that are a priority for many Arab providers of cooperation converge, this overlapping also provides new areas where strengthened intra-regional relationships and mutual learning can be built. Avenues for fruitful SSC may include the food security/energy nexus along with additional research into renewable energy. As a major promising area for collaboration, technological cooperation can increase productivity while contributing to economic growth but it requires strengthened resources for research and development. A particular opportunity also exists for further expansion of multilateral Arab assistance, as noted in section 1.2.2. Through equity and reserves, Arab financial agencies have the ability to scale up their lending; by 2008, total resources (paid-up capital and reserves) available to them amounted to \$56 billion, compared to outstanding loans of \$33 billion. This strong capitalization also has been combined with the Arab institutions' financial prudence.

All of these factors can help to impart further dynamism to SSC at the national and intra-regional levels in the Arab region, thereby ensuring that it can fulfil its potential. Meanwhile, in section 2, we turn to the positioning and growing influence of the Arab States in inter-regional SSC.

2. Trends, Successful Practices and Expanding Opportunities in Arab Inter-regional Cooperation

2.1 Widening Arab Cooperation with Other Regions on Development, Trade and Finance, Natural Resources and Culture

South-South cooperation is not an option today but an imperative, in order for all developing countries to meet their common challenges.



South-South cooperation is not an option today but an imperative, in order for all developing countries to meet their common challenges. Deep and meaningful involvement of Arab countries in SSC, using their rich reservoir of knowledge, is accelerating this key transformation, enriching a government-driven model of collaboration that is broad-based, including the private sector, education and research institutions, and CSOs. By simultaneously being providers and receivers of inter-regional cooperation, Arab countries are assisting both themselves and a number of other regions to emerge on the world stage through cooperation that is radiating to inter-regional and global issues of common concern. While economic cooperation remains solidly at the forefront, other forms of SSC, such as SSC for development, are moving forward.

2.2 Putting Africa at the Centre

Sub-Saharan Africa is rapidly emerging as a large market with vast untapped natural resources. This new profile has reinforced interest in the continent

²⁵ International Trade Centre, League of Arab States Regional Integration: Opportunities for Trade and Employment, Geneva, 2012.

around the world, including from Arab providers of cooperation. The African region needs external capital, technology and technical expertise, while Southern partners such as the Arab providers need not only natural resources but also markets and African expertise as well as other support on global issues, where Africa has a great deal to offer. In addition to development cooperation, trade and investments, particularly at the bilateral level have served as an important focus. Knowledge transfer and capacity development are beginning to advance, although more needs to be known to fully assess the overall level of such transfer and the degree to which it is contributing to priority needs.

Africa has a long history of interaction with the Arab world but a formal framework did not exist until March 1977, when African and Arab Heads of State and Government held the First Summit to define principles and collective actions needed to further intensify ties. At the second Afro-Arab Summit, in 2010, leaders of both groups agreed to collaborate on political issues and diplomacy, economic and financial issues, education, culture, science and technology, information and commerce. They also created various structures and institutions to support the relationship, including the Joint Ministerial Council, the Standing Committee of Afro-Arab Cooperation and the Ad Hoc Court for Commission of Conciliation and Arbitration. Now, regular Afro-Arab trade fairs are being held and an Afro-Arab Cultural Institute has been established in Mali.

Africa has a long history of interaction with the Arab world but a formal framework did not exist until March 1977, when African and Arab Heads of State and Government held the First Summit to define principles and collective actions needed to further intensify ties

The Gulf countries in particular have intensified collective efforts to boost political and economic cooperation with Africa. In 2009, the Gulf Research Centre organized the first Gulf-Africa Strategy Forum, providing an opportunity for governments, academics and the private sector to discuss cooperation between the Gulf States and Africa and offer recommendations on how to strengthen partnership.

Key Support via Economic Groupings and National Development Agencies

Some Arab providers in North Africa are important members of one of the 14 major African economic groupings, which are valuable conduits for promoting SSC, including South-South cooperation for development. Algeria, Libya, Morocco and Tunisia are all members of the Arab Maghreb Union, a free trade area; likewise, Djibouti, Egypt and Sudan are part of the Common Market for Eastern and Southern Africa. These latter three countries, along with Libya and Morocco, also are members of the Community of Sahel-Saharan States, while Djibouti and Sudan form part of the Intergovernmental Authority on Development Regional Consultative Process on Migration. NEPAD also provides considerable amounts of essential regional public goods (transport, energy, water, ICTs, environmental and health services, regional research capacity).

Increased involvement of development agencies such as the Islamic Development Bank, the Kuwait Fund for Arab Economic Development, the OPEC Fund for International Development or the Social Fund for Development has been an integral part of inter-regional SSC, particularly in their support for regional capacity-building efforts and for the strengthening of public-private partnerships at the inter-regional and regional levels. The OPEC Fund for International Development, for example, has supported a large number of projects in the African health sector, including on HIV and AIDS and cancer, and has renovated aging municipal water-district systems and equipment. Likewise, it has assisted in enhancing the quality of teaching and learning as well as the strengthening of school management in particularly underserved areas. Moreover, all Arab States are members of the Cairo-based Arab Fund for Technical Assistance to African Countries, which was created by the League

of Arab States. This Fund does not provide direct financial assistance for projects but finances and coordinates technical assistance studies and helps to develop human resources in Africa.

In all, the changing financial landscape of African and Arab countries has the potential to promote financial stability and resilience, support the development of long-term productive capacities, advance aims consistent with human development, and expand national policy space.

Frequently SSC also may be channelled through special funds such as that created by Islamic countries to enhance food security in Niger after the locust invasion of 2004 (see also section 1). Qatar alone contributed \$91 million to establish the fund, while additional contributions came from Libya, among others.

Crucially, African countries have entered into more and more bilateral trade and investment agreements, many of them with other African States, which comprise a significant proportion of SSC at this juncture. In all, the changing financial landscape of African and Arab countries has the potential to promote financial stability and resilience, support the development of long-term productive capacities, advance aims consistent with human development, and expand national policy space. Intra- and inter-regional integration has helped to shield economies from global shocks, while more products are being adapted and innovated for local buyers, increasing the purchasing power of even low-income consumers. This, in turn, is promoting entrepreneurship, education, skill formation and the upgrading of technology.

Countries such as Kuwait, Saudi Arabia and the United Arab Emirates have increased their shares of African trade considerably and increased the competitiveness of export-oriented producers, with the latter two countries standing among Africa's top-20 trading partners in 2008. All have invested significantly, through official flows, in African transport and telecommunications, energy, industry and water sectors, all of which offer critical development benefits to recipient countries. The Gulf States also are investing heavily in African agriculture from Sudan to Ethiopia, Kenya and the United Republic of Tanzania to bolster their domestic food security. At the same time, the United Arab Emirates, for example, has become one of the top-10 export markets for nine African countries and Dubai has become an important trans-shipment point for African exports and imports, handling 10 percent of them.²⁶

A Focus on Infrastructure and Investments

While Arab cooperation covers a wide range of activities, the earliest tendency was to focus on infrastructure and production sectors; it is estimated that Arab countries provided an average of

²⁶ UNCTAD, Economic Development in Africa Report 2010: South-South Cooperation – Africa and New Forms of Development Partnership, Geneva, 2010.





\$500 million per year in infrastructure finance to Sub-Saharan Africa during 2001-2007. About half of that support for infrastructure went to transportation, 30 percent to power, and 15 percent to water and sanitation.²⁷ Such support remains critical, given that the World Bank estimates a continued shortfall of \$31 billion a year in the amount of investment required to meet Africa's needs and maximize its economic performance and human development. Meanwhile, official Arab flows are also increasingly provided to countries often not targeted by traditional donors, including Comoros, Mauritania and Somalia.



At the same time, intra-African investments have been gaining importance as a segment of SSC. Egypt (through the Egyptian Fund for Technical Cooperation with Africa), Libya and Morocco have significantly engaged in these investments. For example, in 2006, the Libyan African Investment Portfolio, a sovereign wealth fund with more than \$5 billion in capital, was set up and has become a

dynamic force, investing in a wide range of sectors including telecommunications, mining, tourism, real estate, manufacturing and agriculture in more than two dozen African countries. The additional examples below are illustrative of the expanding diversity and vibrancy of Arab contributions to and benefits from African cooperation, including in the private sector.

Across the Arab World: Broadening Ties with South Africa

South Africa, as part of the influential BRICS grouping,²⁸ represents a particularly important SSC partner for numerous Arab countries. South African relations with Kuwait and the Gulf States have expanded significantly, and the country is increasingly expanding ties with other Arab States such as Iraq. This encompasses a strong set of economic ties that have the potential to draw new workers, including women, into the market in recipient countries, expanding the choices of many people.

Not only is the Gulf region a substantial source of South Africa's crude oil requirements but the GCC countries also have become a major market for South African products, especially agricultural exports. For its part, Kuwait is maintaining a positive role, with significant investment through its sovereign wealth fund in South Africa's capital and financial markets as well as through the private sector in premium real estate and tourism infrastructure development in South Africa.

Egypt: A Special Fund and Private-sector Strength

Egypt has established a solid SSC presence in Africa through investment, notably with the expansion of the Orascom business group. This large group, with a diverse portfolio of activities - including infrastructure development, construction, real estate and telecommunications - is present in several African countries, bolstering national economic development as well as creating jobs. One of its principal companies, Orascom Telecom Holdings, is one of the largest and most diversified

²⁷ UNCTAD, Economic Development in Africa Report 2009: Strengthening Regional Economic Integration for Africa's Development, Geneva, 2009.

²⁸ Brazil, Russia, India, China and South Africa.



telecommunications operators in the world. It operates in Algeria, Tunisia and Zimbabwe, among other countries, providing significant access to information and knowledge, including among disadvantaged populations and women. At the same time, Egypt, like the United Arab Emirates, is a major destination for exports of other African countries. As an important part of its official SSC flows, Egypt has engaged in triangular cooperation with Japan to strengthen laboratory diagnosis and monitoring of infectious diseases in 21 African countries and to improve rice cultivation techniques in 27 African countries. The latter, for example, has resulted in numerous increases in production, such as in Ghana from 1 tonne/hectare to average ranges of from 2.38 to 6

tonnes/hectare, between 2002 and 2007, alone according to the applied technology.²⁹

Morocco: A Leader in African Investment

As noted in section 1, Morocco has been a leader in deepening economic ties with the rest of the African continent, with much of this SSC orientation deriving from the country's important signal in 2000 to cancel the debt of all African LDCs and grant them restriction-free access to the Moroccan market. Since then, some 500 agreements have been signed with more than 40 countries in a variety of sectors, resulting in a tripling of trade with Sub-Saharan countries. This significant strengthening of economic development in these countries can, in turn, be linked to overall poverty reduction through sustained longer-term growth since, for example, even small changes in agricultural employment opportunities or prices can result in major socioeconomic effects.



Investments by Morocco's private sector in other African countries have increased substantially as a rising number of Moroccan firms set up operations in the region. These further illustrate the dynamic opportunities for SSC outside official pathways through not only the expansion of market access and the strengthening of the production and export base but also through enhancement of trade-related technical assistance and capacity-building. Moroccan mining companies are now present, for example, in Burkina Faso, Congo, Gabon, Guinea and Mali. Maroc Telecom, the national telecommunications company, holds a majority share in Gabon's national telecom company and has operations in Burkina Faso and Mauritania, while Moroccan banks have established themselves in Algeria and Tunisia. New agreements were concluded in late 2012 and early 2013 in sectors such as fisheries and aquaculture, aviation, ICTs and real estate/housing development.

²⁹ Special Unit for South-South Cooperation, *ibid.* p.101.

According to available data, in 2010 Moroccan food exports accounted for 37 percent of total trade with the region, followed by transport machinery and equipment (21 percent) and chemicals (20 percent).³⁰

By far the most important destination of Moroccan investment in the region, however, is Senegal, where financial, human and social capital are all being built.³¹ Moroccan companies active in Senegal include public transport companies such as the national shipping company COMANAV and the airline Royal Air Maroc, which have, respectively, taken over a passenger transport route and set up a new airline in partnership with the Government of Senegal. Private Moroccan companies are also strongly present in Senegal in sectors including construction and public works, power, telecommunications and the pharmaceutical industry. Since 2005, Moroccan banks have also started to establish themselves strongly in the country, notably with the establishment of a subsidiary of the Moroccan bank Attijariwafa, North Africa's largest bank, which has acquired majority stakes in two major Senegalese banks.

Tunisia: Providing a Model for Poverty Reduction

Tunisia has been particularly notable in inter-regional SSC with Africa for using the comparative advantage that it gained from establishing its own successful National Solidarity Fund (FNS) to replicate this model in countries such as Mali through triangular cooperation with Luxembourg. The FNS model, which has attracted support from many other countries and organizations such as Belgium, Italy and UNDP, serves as an innovative and important poverty reduction mechanism by attracting voluntary contributions from citizens and companies to assist poor and marginalized populations. In Tunisia, it achieved a substantial impact on poverty reduction. In addition to Mali, Djibouti and Senegal have adopted the Tunisian model.³²

2.3 Forging Strategic Partnerships with Asia

Much of Arab providers' cooperation with Asia is focused on the region's two giants, China and India. For example, the League of Arab States has become China's seventh-largest trading partner, with trade between China and Arab League member countries surging 34.7 percent in 2011 alone to \$195.9 billion; within two years, totals of \$300 billion are expected.³³ Ties are expanding particularly through the China-Arab States Cooperation Forum, which emphasizes the exchange of technical know-how as well as diversified trade cooperation. Some Arab countries are strongly looking towards the East. Kuwait and China, for example, have signed cooperation agreements in the fields of higher education, sports, and the protection and development of a Chinese lake.

The Asia-Pacific region, led by China, also is attracting the largest



³⁰ UNCTAD, 2009, *ibid.*

³¹ *Ibid.*

³² Special Unit for South-South Cooperation, *ibid.*, p. 126.

³³ China-Arab States Cooperation Forum, available from www.cascf.org.

The Asia-Pacific region, led by China, also is attracting the largest proportion of direct investments made by Arab sovereign wealth funds.

proportion of direct investments made by Arab sovereign wealth funds. The Qatar Investment Authority, for example, has invested \$6 billion in the Agricultural Bank of China. Moreover, while considerations of energy security are not new, the scale and multiple dimensions of recent initiatives are innovative, including substantial joint venture agreements between Kuwait and China, which are assisting in meeting the strong East Asian demand for affordable energy.

Egypt has benefited from the establishment of India's Pan-African e-Network, which aims to provide e-services with a focus on education and medicine. UNDP also has facilitated the sharing of experiences on electoral reform and management between India and Arab countries. Algeria's cooperation with the Republic of Korea and Peru on seed potato production offers an important model involving two widely separate areas of the world. Algeria depends on potatoes as one of the major staple foods but lacked technical skills in potato breeding and was importing as much as 80,000 tonnes of potatoes annually. The Korea International Cooperation Agency (KOICA), in its first triangular cooperation project, chose Algeria as the site of an important pilot to demonstrate ways to address food security and poverty issues; it invited Peru, which has more than 400 species of potatoes, to participate. While the Republic of Korea constructed research facilities for seed potato production, Peru provided technical cooperation in potato breeding. Key outcomes have included the breeding of potato seeds that are the most suitable for the Algerian environment, and KOICA is looking towards replication of the model in other countries.

Various mechanisms that are facilitating the Gulf States' involvement in SSC include the development of multilateral administrative and regulatory frameworks. A notable example of this occurred in the implementation of the Abu Dhabi Dialogue on Contractual Labour for Cooperation between Countries of Origin and Destination in Asia. Other significant SSC initiatives on migration (see also section 1) are being conducted under the International Centre for Migration Policy Development. They include the Dialogue on Mediterranean Transit Migration, which involves Arab countries such as Algeria, Egypt, Morocco, Lebanon, Libya and Tunisia, and a project titled "Strengthening African and Middle Eastern Diaspora Policy through South-South Exchange" that was developed and implemented within the framework of the Dialogue on Mediterranean Transit Migration. These efforts can improve outcomes for migrants and destination countries alike by simplifying channels that allow people to seek work abroad, ensuring basic rights for migrants, reducing transaction costs associated with migration, enabling benefits from internal mobility, and making mobility an integral part of national development strategies.



2.4 Expanding Collaboration with South America

The social, technological and economic progress of the Arab countries and South America is being enhanced through reciprocal flows of technical cooperation, investment and trade in key sectors such as energy, water resources, agriculture and food security, transportation, telecommunications and tourism infrastructure. This is further strengthening policy coordination and sustainable development in both regions as well as deepening the regions' common roots.

The South American-Arab Countries Summit was the first large international meeting in recent history, outside of the regular work programme of the United Nations, whose purpose was to bring together two large and important blocs of developing countries. The organization comprises 34 countries from the Arab League and the Union of South-American Nations, with a strong emphasis on SSC. South American-Arab Countries Summit cooperation is organized through five sectoral committees for social, environmental, economic, science and technology, and cultural/education affairs. Most recently, Summit ministers held their inaugural meeting on the energy sector in Abu Dhabi in January 2013 and highlighted opportunities for cooperation in the rapidly diversifying global energy. In so doing, they put into action a call for energy to form an axis of the bi-regional relationship. To develop future Summit activities under the Lima Declaration road map, they agreed to prioritize joint cooperation in renewable energy as a key component of sustainable development; promote opportunities for cross-regional investment in the oil and gas sector and identify opportunities, through peer learning and sharing of best practices, to improve the energy and carbon efficiency of the industry; highlight investment in domestic energy-efficiency initiatives to mitigate the environmental impacts of energy consumption; and identify opportunities for joint investments in power projects.

A number of bilateral and multilateral initiatives by Arab countries and institutions have considerably strengthened economic cooperation with South America, which grew from \$11 billion in 2004, the year before the South American-Arab Countries Summit was created, to \$30 billion by 2008. Egypt and Libya have particularly benefited from South American investment in sectors including energy and construction, which are offering key opportunities for skills expansion. On the cultural front, in addition to construction of the Arab-South American Library (see also section 1), important projects include creation of the South American Research Institute in Tangiers and the opening of the Library and Research Centre of South American-Arab Countries in Sao Paulo.

2.5 Increasing Links to Eastern Europe and Central Asia

Arab links to Eastern Europe and Central Asia likewise are becoming stronger. As noted in section 1, the Egyptian Fund for Technical Cooperation with the Commonwealth, Islamic European States and Newly Independent States has been particularly active in offering technical support to Afghanistan,

The social, technological and economic progress of the Arab countries and South America is being enhanced through reciprocal flows of technical cooperation, investment and trade in key sectors such as energy, water resources, agriculture and food security, transportation, telecommunications and tourism infrastructure.



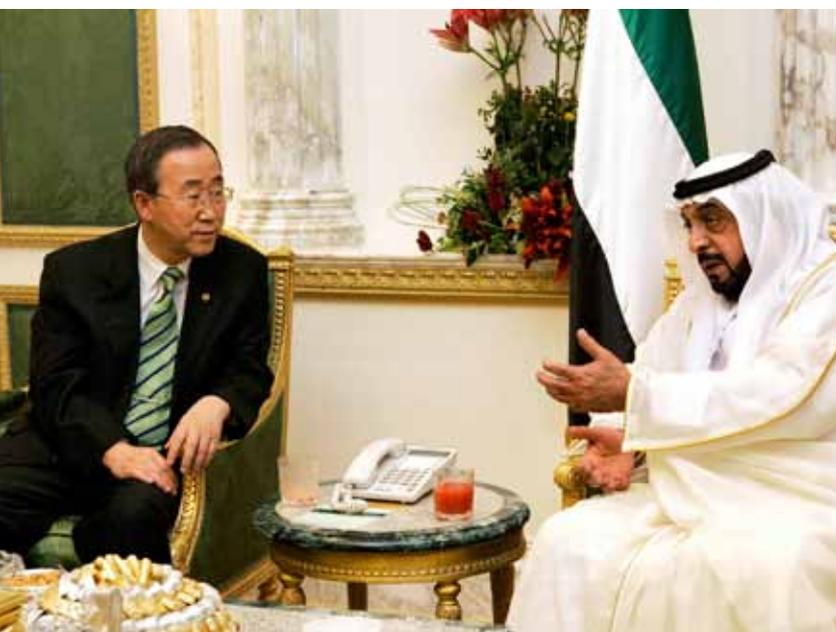


Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Tatarstan, Tajikistan, the former Yugoslav Republic of Macedonia, Turkmenistan and Uzbekistan. The Fund has organized 1,018 training courses for 19,596 trainees since 1993 in the areas of media, Arab culture, diplomacy, peacekeeping, tourism, agriculture, public health, medicine, law, arbitration, banking, privatization, antiquities, and security. In particular, it started to implement a comprehensive plan for supporting cooperation with Afghanistan in various fields, such as rehabilitating diplomatic cadres, training specialists in transport and eradication of illiteracy, and dispatching experts to restore globally important

monuments in Afghanistan’s Ghazni Province, which is serving as the cultural capital of the Islamic world during 2013. The Fund also is training Afghan police cadets in security issues.

The United Arab Emirates also has longstanding South-South ties with the Eastern Europe and Central Asia region. For example, between 1998 and 2008, the assistance to Kosovo by the country’s Red

Crescent Authority alone represented the largest international humanitarian mission in the history of the United Arab Emirates. The country also has staged a number of cultural events, including an exhibition of treasures of the Kremlin, operas, orchestral concerts and puppet shows, with the participation of Russian representatives, and the two countries have cooperated in the field of strengthening museum management. The United Arab Emirates also has signed an agreement on scientific and technical cooperation with Chelyabinsk University.



Kuwait has invested heavily in Albania, fully financing the restoration of the main square in the Albanian capital of Tirana.

2.6 Expanding Opportunities for Improved Inter-regional

Cooperation

Numerous opportunities exist for accelerating improved inter-regional cooperation, similar to those for intra-regional cooperation noted in section 1. They include facilitating SSC or triangular “matchmaking” and other types of knowledge sharing, for example, through building on the comparative advantages and global presence of the United Nations system.

At the inter-regional, intra-regional and national levels, Arab SSC displays characteristics that can enrich an effective cooperation agenda. These include comparable development levels and experiences that can foster development solutions that are highly adaptable to local economic and social conditions. South-South interactions have enabled Arab companies to adapt and innovate in ways that are more suited to developing countries, with new business models whereby firms can develop products for a large number of low-income customers, as noted earlier, such as in the development of renewable energy technology. This highlights the importance of promoting greater SSC in this area. In addition, with further support, Arab countries can not only provide such support but also be natural locations for experimentation in new technologies and products, such as those based on the Global System for Mobile (GSM) Communications standard.³⁴

SSC also can prove especially beneficial as a mechanism for increasing the bargaining power of other regions, such as Africa, in global affairs and for enhancing other regions' capacities to deal with challenges of poverty, poor infrastructure, development of productive capacity and emerging threats. Traditionally, African countries, for example, have faced considerable constraints with regard to voice and representation in the world economy. Effective SSC linkages can help them to influence the agenda, pace and decisions made in the reform of the international financial architecture as well as in multilateral negotiations such as those on climate change. In addition, Arab providers' large-scale interventions to improve infrastructure of development assistance, which in recent years have focused particularly on or production capabilities offer the comparative advantage of complementing traditional forms humanitarian and social initiatives.

SSC also can prove especially beneficial as a mechanism for increasing the bargaining power of other regions, such as Africa, in global affairs and for enhancing other regions' capacities to deal with challenges of poverty, poor infrastructure, development of productive capacity and emerging threats.

At the same time, growing Arab SSC carries with it the promise that it could be channelled into addressing specific development goals through, for example, changes in the way that the global economy is governed to make it more human-development oriented. Ways and means to achieve this will need to be fully explored through policies and practices at the inter-regional as well as intra-regional and national levels.

It is important to note, however, that all these potential benefits of cooperation are not automatic and accrue to countries that have taken adequate and proactive steps to exploit them. Some Arab countries, such as Tunisia, can offer a useful model for mainstreaming SSC into other countries' development strategies to ensure that it furthers, rather than hinders, the achievement of national and regional development goals.

2.7 Key Challenges to Inter-regional South-South Cooperation

As with opportunities, key challenges to accelerating inter-regional SSC are similar to those for intra-regional SSC (see also section 1), which in many cases are related to countries' institutional and technical capabilities. These encompass policy gaps as well as critical knowledge, communication and resource gaps in areas such as capacity development, greater transparency and additional financing. Ensuring that the quality of information is improved to enable easy accessibility of data as well as enhanced monitoring of SSC will be particularly vital.

Thus, Arab countries require critical support not only in setting policy directions for SSC but also

³⁴ UNDP, Human Development Report 2013: The Rise of the South; Human Progress in a Diverse World, New York, 2013.

Arab countries require critical support not only in setting policy directions for SSC but also in producing, scaling up and/or transferring development solutions and in sharing their expertise.



A strong focus may need to be given not simply to attracting Arab investment per se but rather to how to create linkages between this investment and the domestic economy of recipient partners as well as to how to direct it to sectors where it can enhance human development, create employment and spur integration into the regional and global economy.

in producing, scaling up and/or transferring development solutions and in sharing their expertise. Notably, strengthening coordination, reinforcing a results orientation and better alignment with national systems and development priorities all remain critical, particularly to ensure that complementarities and comparative advantages are put to full use to address clearly identified needs. In addition to the three key challenges already noted with regard to both inter- and intra-regional cooperation, two other challenges to cooperation are worth noting: ensuring equity and inclusive growth, and minimizing environmental risks.

Ensuring Equity and Inclusive Growth

The management of these growing and evolving South-South relationships with Arab providers will need to be undertaken in a manner that supports and enhances technological progress, capital accumulation and structural transformation so that, for example, SSC does not replicate patterns where regions such as Africa simply export primary commodities and import manufactured goods. A large body of evidence exists that the type of product that a country exports matters considerably for its future economic growth and development. Primary products such as metal ores have production structures that are often poorly linked to the rest of a country's economy, and their prices on world markets tend to be more volatile, which creates considerable macroeconomic instability. Furthermore, extractive industries are highly capital-intensive, generating very limited employment. On the other hand, offer better prospects for future growth. Ensuring effective and technologically advanced diversification of SSC can thus result in growth that is inclusive and reduces the rising socioeconomic inequalities found in all regions of the world.

A strong focus may need to be given not simply to attracting Arab investment per se but rather to how to create linkages between this investment and the domestic economy of recipient partners as well as to how to direct it to sectors where it can enhance human development, create employment and spur integration into the regional and global economy. This can be achieved, for example, through targeted incentives to encourage investors to source inputs locally. Further promotion of joint ventures between Arab firms and companies in other regions could facilitate the diffusion of knowledge to local entrepreneurs and contribute to structural transformation. At the same time, however, this will again necessitate mainstreaming SSC into Arab countries' national development strategies, which still requires significant enhancement (see also section 1).

Minimizing Environmental Risks

Standards of governance and environmental quality will need to be maintained throughout South-South partnerships. To date, however, they have been challenged by other regions although Arab partners have largely encouraged environmentally responsible investments in regions such as Africa. Encouraging such investments and scaling up incentives

for corporate social-responsibility initiatives can offer an important model to other Southern investors who may need to strengthen activities such as their environmental impact assessments.

For all the challenges identified, facilitating the sharing of experience and expertise will be critical to ensure that solutions are not only successful and cost-effective but also encompassed in an appropriate and effective framework of mechanisms that would support their transfer. In section 3, a set of practical recommendations is offered to address these challenges, with a view to further advancing South-South and Triangular Cooperation among Arab countries.



3. A Regional Strategic Approach to Address Knowledge, Communication and Resource Gaps and Further Advance South-South and Triangular Cooperation for Development in the Arab Region

3.1 Criteria for the Approach

The approach proposed to address knowledge, communication and resource gaps and further advance South-South and Triangular Cooperation for development in the Arab region is strategic, regional and premised on the following assumptions:

South-South Cooperation as a driver for development, including its dimensions that are directly or indirectly related to the Arab States, is a process that started a long time ago and will continue to evolve. A harmonized and coordinated effort, however, could help to further catalyse and speed up this process for the Arab region by optimizing its intensity and focus and increasing the bargaining capacity of the region as a whole, leading in turn to a stronger Arab voice in the global arena.

Experience shows that countries with the existing policy, coordination mechanism and resources (including packaged knowledge and expertise, clearly identified needs, and some funding to support exchanges with other countries) have proven more successful in SSC than the countries that revert to SSC on an ad hoc basis.

SSC clearly constitutes a shift from a single-vector to a multi-vector type of relationship between countries and is based on solidarity, reciprocity, and mutual benefit. At the same time, the countries in the Arab region are different in terms of the actual and anticipated structure and proportion of inward and outward cooperation flows. In addition, there are a number of wealthier countries in the region that can benefit both from their role as participants in SSC and from being triangular-cooperation partners, supporting exchanges between other countries by filling the financial resource gaps.

Related to the above are some principles that would determine the characteristics of the proposed approach. First, building on existing institutional arrangements, capacities developed and other resources available (avoiding duplication of arrangements, capacities and resource

Countries with the existing policy, coordination mechanism and resources (including packaged knowledge and expertise, clearly identified needs, and some funding to support exchanges with other countries) have proven more successful in SSC than the countries that revert to SSC on an ad hoc basis.

facilities) while implementing the recommended approach can help to greatly reduce the set-up costs and in itself serve as a driver towards a more harmonized and inclusive approach.

Second, while national-level coordination is critical to ensuring scaled-up SSC within and beyond the region, the approach should provide for seamless and non-bureaucratic horizontal linkages along with local leadership and ownership. In addition, it should be inclusive and systematic in the sense that supportive activities should benefit as many existing and potential South-South exchanges as possible, involving various government, civil-society and private sector players.

Finally, an understanding should be developed that, on the one hand, standardization of individual national-level approaches towards documenting and presenting expertise and solutions and defining needs may be crucial for scaling up SSC across the Arab region and beyond. On the other hand, considering that the countries in the region are not homogeneous in terms of their perceived roles in SSC as well as their level of preparedness, the approach should be flexible, aiming to strike the right balance between standardization and tailor-made, country-specific responses.

These above determinant principles are to be further enhanced by the normative and operational principles as suggested in the outcome document of the High-level United Nations Conference on South-South Cooperation held in Nairobi:

(a) normative principles

- respect for national sovereignty and ownership,
- partnership among equals,
- non-conditionality,
- non-interference in domestic affairs,
- mutual benefit;

(b) operational principles

- mutual accountability and transparency,
- development effectiveness,
- coordination of evidence- and results-based initiatives,
- multi-stakeholder approach.

3.2 Elements of the Approach

The proposed regional approach would be closely integrated with the global three-in-one multilateral support architecture for SSC, which consists of the Global South-South Development Academy, the Global South-South Development Expo and the South-South Global Assets and Technology Exchange.

In addition, policy guidance and recommendations deriving from the nationally owned coordination activities would feed into global-level policy priorities and guidance reflected in the biennial report of the United Nations Secretary-General on the state of SSC as well as into the work of the United Nations General Assembly High-level Committee on SSC. This would be done through UNOSSC, which also, as noted in section 2, serves as the substantive secretariat for the High-Level Committee and contributes to the drafting of the biennial report.

The three key elements of the regional approach to supporting SSC for development in the Arab region would be:

- a national-level Coordination Board on South-South and Triangular Cooperation;
- an online SSC portal for real-time access to South-South-related information; and
- an Arab regional funding facility for scaled-up exchanges of South-South solutions, technologies and expertise.

3.2.1 A National-level Coordination Board for South-South and Triangular Cooperation (or Its Existing Equivalent)

In each country of the Arab region, the Coordination Board for South-South and Triangular Cooperation would take the shape of a forum that is most relevant to the national context, building on existing institutional arrangements and avoiding the creation of a duplicate structure. Regular meetings of the national-level Coordination Board would be co-hosted by a national coordination authority in charge of SSC (technical cooperation) and the respective United Nations Resident Coordinator Office. The Board would be comprised of representatives of line ministries, United Nations country team members and other triangular cooperation partners as well as representatives of relevant CSOs and private sector institutions.

A national-level Coordination Board for South-South and Triangular Cooperation would be a time-efficient and a cost-effective clearinghouse with the following three functions:

(a) Coordination and Synergies

Supporting and informing the coordination function of the National Coordination Authority on SSC and ensuring that the growing share of SSC-related work plans and activities of various United Nations specialized agencies, funds and programmes, national line ministries, relevant CSOs and private-sector institutions are harmonized; and regular documenting and exchange of information within the framework of the Coordination Board, to facilitate the identification of additional synergies at the national and regional levels with respect to the three-in-one multilateral support architecture for SSC;

(b) Facilitation and Resource Mobilization

Facilitating horizontal non-bureaucratic linkages and matches between solution providers and solution seekers within a country and beyond; and mobilizing partnerships and resources for SSC where United Nations and non-United Nations triangular-cooperation partners could fill resource gaps for any practical SSC initiatives proposed by a given country institution or requested of a country institution from outside. In linking with another element of the regional approach, the Arab Regional Funding Facility, the Coordination Board would be a trusted forum for identifying flagship SSC initiatives, partnerships and commitments and the channel through which the Arab Regional Funding Facility would address the remaining resource gaps in support of such initiatives;

(c) Upstream Policy Advice and Norm Setting on SSC

Serving as a consultative body to assist the National Coordinating Authority on SSC in updating and reviewing national priorities and strategies for South-South and Triangular Cooperation, as well as in addressing any upcoming relevant policy and capacity-development issues.

In the long run, a national-level coordination board for South-South and Triangular Cooperation would support the three prerequisites for effective scaling up of SSC, namely, a national policy, a national coordination mechanism and national-level resources (including packaged knowledge and expertise, clearly identified needs, and some funding to support exchanges with other countries).

3.2.2 An Online SSC Portal for Real-time Access to SSC-related Information

A regional SSC portal would serve as a one-stop shop for the most-demanded information on SSC, such as:

- documented home-grown solutions with the potential for transfer (adoption/replication/adaptation);
- information on technologies;
- description of existing mechanisms in support of SSC;
- rosters of Arab experts and centres of excellence;
- partnership proposals with confirmed partial commitments;
- relevant training opportunities and training materials; and
- statistical and research data as well as other data on a demand-driven basis.

As an additional value added, the SSC portal would provide various institutions active in the domain of SSC with an additional opportunity to promote their relevant online tools and other information resources featuring their solutions, technologies, expertise and proposals. From the end-user point of view, this would eventually mean more standardized, interchangeable and thus easily accessible information.

The five key functions of the SSC portal would be:

- (a) direct listing: users could independently upload relevant information, for example, partnership proposals with confirmed partial commitments;
- (b) mapping: where relevant, such as in the case of home-grown solutions or mechanisms in support of SSC, visual representation of the originating location on an electronic map;
- (c) matching: where possible, the system would provide recommended search results that match the need/profile of a given user;
- (d) search: all the thematic platforms within the portal would be designed to be easily searchable to provide information that is needed at the time when it is needed; and
- (e) monitoring: initiatives that benefit from the three-in-one multilateral support architecture, as well as other interested parties, could systematically and regularly report on implementation progress and relevant verifiable results.

The regional SSC portal would be facilitated by UNOSSC and the Regional Bureau for Arab States Regional Centre in Cairo. It would also be closely linked with the Global South-South Development Academy as part of the three-in-one multilateral support architecture for SSC.

3.2.3 An Arab Regional Funding Facility for Scaled-up Exchanges of South-South Solutions, Technologies and Expertise.

The key objective of the Arab Regional Funding Facility for SSC would be to provide an equitable approach for all the players in the Arab region in scaling up exchanges of solutions, technologies and expertise in a number of regularly agreed thematic areas relevant to countries' shared needs. This would be done by filling in the financial gaps in cases where such resource gaps could not be addressed bilaterally and locally between solution providers and solution recipients or with the support of members of the respective national-level Coordination Boards on SSC.

The Arab Regional Funding Facility would be part of the three-in-one multilateral support architecture



for South-South cooperation and would finance up to 40 percent of the total budget of any given SSC initiative. This would be done with the understanding that there would be a proven resource commitment of at least 60 percent of the total budget of a given initiative readily available on the part of solution providers and of solution recipients.

Both a pooled resources modality, where funds would be contributed directly to the Arab Regional Funding Facility, and a parallel funding modality would be available. In the pooled resources modality, the Arab Regional Funding Facility would be hosted by UNOSSC. In the parallel funding modality, the actual contribution of funds to the United Nations Fund for SSC prior to financing concrete SSC initiatives would not be required. A duly endorsed commitment for timely disbursement of a given amount of funds and for a given period would be sufficient to participate in the Facility. A minimum administration cost would still apply in this case. The priority objectives here would be to:

- (a) provide a visible, simplified and effective channel for financing, monitoring and evaluating concrete SSC initiatives;
- (b) further expand a regional compact between various existing bilateral and multilateral funding facilities and instruments on the common principles in support of Arab SSC;
- (c) eventually harmonize and synchronize decision-making processes of various players that participate in the Arab Regional Funding Facility, but prefer to commit resources without actually contributing them directly to the Facility; and
- (d) ensure that financial resources that comprise the Arab Regional Funding Facility for SSC come from voluntary contributions/commitments from national governments, triangular cooperation partners, philanthropic organizations and foundations, the private sector and civil society.

The Arab Regional Funding Facility would be governed by a Board of Trustees, comprising one Government representative from each participating Arab country, irrespective of the amount of a country's annual contribution/commitment to the Facility, as well as one representative of each contributor other than Arab Governments whose contribution/commitment is equivalent to a minimum of \$1 million per year. Other contributors would be represented in the Board of Trustees on a rotational basis.

Funding decisions on each individual SSC initiative would be taken solely by the Board of Trustees by simple majority vote, based on the analytical recommendation prepared by the Experts Group. Each participating contributor, irrespective of the amount of its annual contribution/commitment to the Facility, would retain control over the use of its contributed/committed resources through its veto right.

The Facility would be administered by the Division for Arab States of UNOSSC to ensure the following: receipt and proper management of contributions from contributing partners; disbursement of funds in support to concrete SSC initiatives in accordance with the instructions of the Board of Trustees; support to the Board of Trustees in its monitoring and evaluation functions; and compilation of consolidated narrative and financial reports for the Board of Trustees.

Sustainability of the approach would be ensured by the fact that each of its three key elements would be demand-driven and thus self-sufficient, so that each element would contribute to advancing SSC, independently of the existence of the other two elements. Once all three elements are in place, they would further reinforce one another and provide economies of scale, increasing their cumulative value added in promoting SSC in the Arab region and beyond.

Featured Solutions

1. Alliance to Fight Avoidable Blindness - Islamic Development Bank:

Geographic Focus: Egypt, the Kingdom of Saudi Arabia, Tunisia and Turkey

Thematic focus areas / sectors / practices supported by the mechanism: Medical assistance (Ophthalmology)

Solution Details: development challenge and key achievements:

Development Challenges:

The World Health Organization (WHO) estimates that in the world approximately 285 million are either blind or severely visually impaired. In Africa, the visually impaired population is around 33.2 million of whom 75% of the visual impairment can be prevented, treated or cured.

The World Health Organization (WHO) estimates that in the world approximately 285 million are either blind or severely visually impaired. In Africa, the visually impaired population is around 33.2 million of whom 75% of the visual impairment can be prevented, treated or cured.

Although cataract is not a major cause of blindness in developed countries, globally it is still the leading cause, accounting for almost half of all cases. Cataract is considered as the first major cause of blindness representing 51% of the prevalence in Sub-Saharan Africa.

The social and economic impact of avoidable blindness is not equitably distributed across the globe, with developing countries, especially Sub-Saharan Africa, shouldering a disproportionately large share of the load. Due to poverty and lack of health services, the majority of visually impaired individuals are likely to remain blind and most probably die before being operated on.

Background on the Solution:

The Alliance to Fight Avoidable Blindness is a partnership programme established in 2008 to reduce the prevalence of blindness due to cataract and to improve access to, and quality of, eye health care in eight countries, namely Benin, Burkina Faso, Cameroon, Chad, Djibouti, Guinea, Mali and Niger.

The Alliance brings together ministries of health; through national blindness control programmes-, non-governmental organizations, training centres, donor institutions and volunteers.



By restoring the sight of blind people and training eye care personnel, the Alliance contributes directly to the improvement(s) of quality of life and to creating more favourable economic as well as social conditions for individuals and the society at large.

Achievements to date:

More than 170,000 people have been examined for eye diseases
More than 36,000 people recovered their eyesight (through) the cataract operations.

More than 70 ophthalmologists, technicians and medical staff have been trained.

Solution Details: The comparative advantage of the solution:

The Model

A unique aspect of the Alliance is its emphasis on South-South cooperation, which promotes the exchange of resources, knowledge and technology among member countries. This cooperation encompasses a spirit of solidarity, which is the lifeblood of the Alliance.

The model is founded on volunteerism as well as teamwork. It follows a strong partnership approach that encourages the transfer of skill and knowledge, while taking into account the needs and priorities of beneficiary countries. It relies on collaboration among a wide range of stakeholders, including ministries of health, non-governmental organizations, training centres, donor institutions and volunteers.



Each partner brings unique expertise to the Alliance. Non-governmental organizations offer the expertise of their volunteer doctors, whilst donor institutions provide funding. Ministries of health, within their national blindness control programmes, build on existing knowledge of their countries' needs and priorities to make their own commitment of staff and facilities. And the IDB, in addition to providing financial resources, deploys its staff for coordination, monitoring and follow-up. It is a teamwork to light lives and to restore dignity.

The Approach

The Alliance recognizes that long-term solutions require strong national blindness control programmes and local teams possessing the specialized skills and equipment to treat their patients. The Alliance addresses these needs through a combination of approaches to developing capacity.

The first approach is on-the-job training, which is systematically conducted during the treatment campaigns. Visiting Alliance surgeons and mobile clinics use the most advanced cataract removal techniques suitable to the local context, such as micro-incision. Mastering these techniques and using the equipment that goes with them requires great skill, which can only be acquired through intensive training. Each visiting surgical team includes a specialist dedicated to train local ophthalmologists throughout the campaign, not only on cataract surgeries, but also on various eye diseases including glaucoma, trachoma, etc. One major feature of the Alliance is that training is not limited to doctors. Technicians and even administrative ophthalmic staff receive coaching in best practices, and this helps the entire local team perform more efficiently.

The second approach to developing capacity is to grant short-term fellowships. The Alliance offers local ophthalmologists the opportunity to study at training centres and teaching hospitals in other IDB member countries. These fellowships aim to build the capacity of eye care specialists, not only in the relevant medical procedures, but also in other areas vital for the national blindness control programmes.

In addition to these, the Alliance sends experts to work with, and enhance the capacity of the national blindness control programmes, particularly in the areas of management, quality control and advocacy. It also donates necessary surgical and other equipment and imparts training on how to use and maintain them.

Lessons Learned:

The main lesson learnt from the activities under the framework of the Alliance programme is that organizing cataract treatment campaigns in urban areas is a necessary step to tackle the burden of cataract blindness but not sufficient on its own. The need for cataract surgeries in rural areas is usually more pressing coupled with inadequate capacity in terms of human resources. Moreover, the implementation of mobile cataract caravans in rural areas spares the patients the cost of travelling and mitigates the risks associated with travel to the city for treatment.

The second lesson learnt under the Alliance is the importance of capacity development for the national institutions responsible for tackling avoidable blindness. With the provision of comprehensive training and equipment under the Alliance, member countries are in a position to take ownership of the programme, mobilize their own eye care specialist teams and be the torchbearers to continue the fight against avoidable blindness.

Recent Annual Budget (USD): 1,160,000 (including contributions from Programme partners such as OPEC Fund, BADEA, Egyptian Fund for Technical Cooperation for Africa and Azerbaijani Development Agency (AIDA)).

Total Budget (USD): More than 6 M USD since 2008.

Focal Point and Contact:

Capacity Development Department
Islamic Development Bank Group (IDB)
P.O. Box 5925 Jeddah 21432
Kingdom of Saudi Arabia
Tel: +96626466719 - Fax: +96626467828

2. North-South embraces South-South for the Reconstruction of Iraq

Soon after the initial military operation in Iraq was drawing to a close, Japan was one of the first countries extending their hands to hold Iraq out of the devastating war. The image of war destruction in Japan after the Second World War and how Japan was able to rebuild the country and launch its development to become a leading economy in the world, with the support of the international community, was the inspiring story.

The first message Japan was keen to send to Iraq was to welcome them back to the international community after 12 years of sanctions. During this period, Iraqis were not allowed to communicate with the outer world and were cut from all dynamic changes of development.

In May 2003, the former leaders of Japan and Egypt had a meeting in Egypt, after which they announced in a press conference their intention to unify their efforts on the reconstruction of Iraq. At a Conference in Madrid in October 2003, the Government of Japan announced up to \$5 billion assistance: \$1.5 billion emergency assistance (completed), \$3.5 billion for mid-term reconstruction and development (commitment made in November 2011 with \$750 million for 4 projects), in addition to the reconstruction assistance by Self-Defence Forces until December 2008.

As of this moment, JICA pledged its efforts to make this announcement true. Beginning such a task, the Japan-Egypt joint medical survey team went to Iraq in July 2003 to identify their needs.

The objective set for this phase of cooperation was to introduce the latest development in medical sub-specialties for both adults as well as paediatrics sub-specialties, some of which were very new for Iraqis at that time; such as laparoscopy and endoscopy procedures. This was coupled with the immediate efforts - also beginning in 2003- of the Japanese Self Defence Forces on humanitarian rehabilitation activities including, among others, the rehabilitation of primary health centres, and provision of medical equipment and medicines. Japan sent a sizeable amount of emergency medical supplies to Iraq through Egypt, as a present to the Iraqi people, and sent medical equipment through the Hashemite

The first message Japan was keen to send to Iraq was to welcome them back to the international community after 12 years of sanctions. During this period, Iraqis were not allowed to communicate with the outer world and were cut from all dynamic changes of development.



Charity Organization in Jordan. While the training was on-going in Egypt, Japan started its ODA projects in Iraq to rehabilitate 3 general hospitals in the Central Region, 4 in the Northern Region and another 4 in the Southern Region. Meanwhile, more than 400 doctors and nurses were preparing in Egypt to run the newly refurbished hospitals, armed with their training on modern facilities and new skills acquired during the training. Training on medical equipment was also taken care of in Jordan.

The next step was to look into infrastructure, where electricity emerged as an urgent, acute and indispensable need to step forward. Power plants in Iraq were not only very old and lacking proper maintenance under the 12-years sanctions when acquiring spare parts was not an easy task. In addition, many of them were badly damaged during air raids and the country was left plunged into long hours of darkness. Japan answered the call to rehabilitate power plants in Mosul and Taji and constructed new ones in Samawah, Al-Akkaz, Al Mussaib and in Kurdistan.

Technical experience and cooperation was then extended in 2005, by neighbouring Egypt, Jordan and Syria, to upgrade the capacity of engineers and technicians working there to help them to raise the efficiency of their power plants and keep them running at their best capacity. Joint meetings, sponsored by Japan, were held regularly between the four countries where training was allocated to each country based on their field of excellence and the best fit to cater to the needs of Iraq to complement the training JICA provided in Japan. Later, a new training was added in Egypt, an eye opener course on new considerations in energy to introduce new and renewable energy as the trend of the future.

Iraq, as a country situated in the Fertile Crescent, with an abundance of water resources, has a long and proud history of agriculture and irrigation in the region. It had a very well developed irrigation system in 1980s. Unfortunately, over the devastating periods that Iraq encountered the sector of water resources in Iraq reached a very critical state. Due to the lack of a national development plan, JICA assigned an advisor in water management project formulation to plan the development of the water sector in Iraq. He thoroughly studied the situation and the problems there and compiled his study with the potentials of Jordan, Syria and Egypt and assigned training topics to each country according to its experience and capacity.

In Jordan, the training course on “Effective Operation and Maintenance of Water Supply for Baghdad Mayoralty” was implemented in close coordination with the “Study on Baghdad Water Supply System Improvement” and the “Water Supply System Improvement Training Course” in Japan.

JICA is now working in Iraq to facilitate the on-going transition phase from post-war reconstruction to self-sustaining development of the country as a whole, as it looks to rebuild, redevelop and enhance its economic and development goals.

South-South cooperation should not be a substitute to North-South Cooperation; rather it should be a complementary feature. South-South cooperation underlines the importance of inter-reactions between developing states. North-South cooperation acts as its guardian, helping it target proper goals. When both resources are put together, the impact of the achievement is better harmonized.

JICA is committed to further strengthening collaboration with cooperation organizations in other developed countries and international organizations, as well as collaborating with emerging countries. The agency will continue to follow up issues in the OECD and DAC and will contribute to the international community in terms of how South-South and Triangular Cooperation can be more effective.

Compiled by: *Hala Shoukry, Chief Programme Officer, JICA Egypt Office*

3. Micro-credit activities to the benefit of the WLHIV (Women Living with HIV); Djibouti

Geographic Focus: UNDP – HIV Regional Practice of the RCC has provided support throughout this initiative, though several country missions and coordination meetings between all involved parties.

Thematic focus areas/sectors/practices supported by the mechanism: HIV-AIDS, Poverty Reduction; Website: <http://arabstates.undp.org/content/rbas/en/home.html>

Solution Details: development challenge and key achievements:



The Republic of Djibouti is facing a generalized epidemic, with the highest prevalence (2.7%) of the Middle East and North Africa, with an estimated population of 833,000 approximately 24,157 people living with HIV/AIDS, including 1,000 new infections each year.

The strength of the national response to Djibouti lies in its extension to all national stakeholders and sectors, including civil society, whose ultimate goal is to reduce the socio-economic impact of the epidemic on individuals, families and groups. This response is developed in a fixed manner, without discrimination to provide people with the services they need.

The Republic of Djibouti is facing a generalized epidemic, with the highest prevalence (2.7%) of the Middle East and North Africa, with an estimated population of 833,000 approximately 24,157 people living with HIV/AIDS, including 1,000 new infections each year.

The Institutional framework developed by the Republic of Djibouti, is a significant development at the regional level. Composed by the inter-ministerial Committee for the fight against AIDS, tuberculosis and malaria, it's chaired by the prime minister with a technical vice-president (minister of health) and includes the frontline departments as well as representatives of civil society, and multilateral and bilateral partners.

The inter-ministerial Committee has an executive secretariat which provides “technical arm” adopting a practical and timely “Three Ones” and it really makes the coordination of community projects impulse.

A principal guiding that underpins the strategic plan is to strengthen the national response to achieve universal access to prevention, treatment, care and support by the end of 2015. In accordance with its mandate, and in partnership with other agencies of the UN system including UNAIDS, UNDP's strategy in support of the national response to the HIV-AIDS emphasizes the strengthening of public policies that incorporate the theme HIV-AIDS, a better environment and the promotion of good governance in the fight against HIV-AIDS.

Solution Details: Comparative Advantage:

The person living with HIV suffers from problems of economic order, they do not have the necessary resources to deal with the vagaries of life and improve the condition of their life. They also have psycho-social problems, that is to say, a lack of social integration.

After several meetings and a massive mobilization from associations network and people (man and woman) living with HIV, some interesting projects have been proposed and validated. The beneficiaries have been selected and proposed by the members of HIV's associations called in general assembly; men decided to give priority the women.

The income-generating activities developed by people living with HIV are crucial because these activities promote independence and reintegration into the economic fabric of the country. Also, the beneficiaries of the income-generating projects have received foods from WFP in Djibouti.

Djibouti Documentary featuring this initiative in Djibouti : You Tube: <http://youtu.be/8aI7ehvbCtE>

Lessons Learned:

Start by raising awareness of what you are planning to achieve. Adaptation of others experience and translating into local context and apply bottom up approach, as well as working with identified champion of income-generating projects to ensure continuity.

Recent Annual Budget (USD): 10,000 USD

Total Budget (USD): 35,000 USD

Focal Point and Contact:

Ramzi Fouad
UNDP Djibouti
Lotissement du Héron Lot n°52, Djibouti
+253-77 82 94 06
Email: ramzi.fouad@undp.org



Mapping
South-South Cooperation
Mechanisms and Solutions
in the **Arab States**