Triangular Co-operation and Aid Effectiveness[1]

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[1] Paper presented at the OECD/DAC Policy Dialogue on Development Co-operation (Mexico City, 28-29 September 2009).

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List of Acronyms

ABC*   Brazilian Co-operation Agency
                (Agência Brasileira de Cooperação)

CAMEP*   Haiti's Autonomous Metropolitan Drinking Water Station
                (Centrale Autonome Métropolitaine d'Eau Potable)
CIDA   Canadian International Development Agency

DAC   OECD's Development Assistance Committee
DFID   United Kingdom Department for International Development

IDB   Inter-American Development Bank

MDI   Management Development Institute
MFA   Ministry of Foreign Affairs
MINUSTAH*   United Nations Stabilization Mission in Haiti
                (Mission des Nations Unies pour la stabilisation en Haïti)

NCA   Norwegian Church Aid
NGO   Non-governmental organisation

PALAMA   Public Administration Leadership and Management Academy

SSC   South-South co-operation

TDC   Triangular development co-operation/triangular co-operation

UN   United Nations
UN DCF   United Nations Development Cooperation Forum
UNDP   United Nations Development Programme
UN ECOSOC   United Nations Economic and Social Council

*   Denotes acronyms in original language

Triangular Co-operation: What Do We Know About It? *

What is Triangular Co-operation?

In a broad sense, triangular co-operation may be understood as a type of development co-operation involving three partners. We focus on partnerships between **DAC Donors** and **Providers of South-South Co-operation** to implement development co-operation programmes/projects in **Beneficiary Countries**.

Who is Involved in Triangular Co-operation?

DAC Donors Participating in Triangular Co-operation
(Projects in negotiation, in implementation or completed)

- Yes: BEL, CAN, DNK, FIN, FRA, DEU, ITA, JPN, LUX, NOR, ESP, SWE, CHE, GBR, USA, EC
- No: AUS, AUT, GRC, IRL, NLD, NZL, PRT

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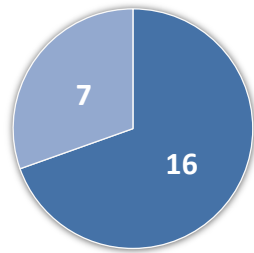
Examples of Providers of SSC Participating in Triangular Co-operation with DAC Donors

Africa	Egypt, Kenya, Morocco, South Africa, Tunisia
Asia	India, Malaysia, Philippines, Singapore, Sri Lanka, Thailand, Vietnam
Eastern Europe	Russia
Latin America	Argentina, Brazil, Chile, Colombia, Mexico

On a multilateral level, triangular co-operation is promoted by the United Nations, in particular by the UNDP Special Unit for South-South Cooperation and the UN ECOSOC Development Cooperation Forum. Most recently, it was also discussed by countries participating in the Heiligendamm Dialogue Process.

Why are Countries Engaging in Triangular Co-operation?

Triangular co-operation combines the strengths of DAC donors and providers of South-South co-operation to promote development at beneficiary countries. It may also favour:

- Developing the capacity of developing countries as providers of development co-operation;
- Strengthening relations between DAC donors and providers of South-South co-operation;
- Strengthening relations among Southern partners, enhancing regional integration.

Policy Statements – Japan and Spain integrated objectives for triangular co-operation in their development co-operation policies.

Other DAC donors include triangular co-operation in their strategies for fostering regional co-operation.

Where are Countries Promoting Triangular Co-operation?

In most cases, **providers of South-South co-operation** participate in triangular co-operation with countries from their region. However, there are also examples of projects across continents. *E.g.* Brazilian co-operation with lusophone countries in Africa and Asia; Malaysian and Philippine co-operation with Kenya, and Vietnamese co-operation with Madagascar.

DAC donors do not seem to concentrate their support on specific regions. For instance, Japan has been engaged in triangular initiatives in Asia, Africa and Latin America; Canada and Germany participate in projects mainly in Africa and Latin America.

* This overview presents a summary of information gathered from interviews and preliminary surveys with development actors involved in triangular co-operation, presentations in international meetings, and Internet sources. It does not intend to be neither a definitive nor an extensive stocktaking of current triangular co-operation activities.

Executive Summary

Working Definition of Triangular Co-operation

In order to focus on the objectives of the Policy Dialogue in Mexico City, we focus on partnerships between *DAC Donors* and *Pivotal Countries* (providers of South-South Co-operation) to implement development co-operation programmes/projects in *Beneficiary Countries* (recipients of development assistance).

Triangular Co-operation: An Opportunity to Join Forces for Aid Effectiveness

The Accra Agenda for Action encourages "further development of triangular co-operation" because it is seen as an opportunity to join efforts of different development actors and benefit from the expertise of both developed and developing countries in order to increase aid effectiveness.

- What are the claimed benefits of triangular co-operation?
- What are the challenges in rendering triangular co-operation an effective mode of development co-operation?
- How can the benefits of triangular co-operation be achieved and its challenges overcome?

The Claimed Benefits of Triangular Co-operation

Advocates claim that triangular co-operation can be an effective aid modality because it can combine the comparative advantages of different development actors.

- Thanks to the similarities of development challenges in pivotal and beneficiary countries, pivotal countries can contribute expertise that is adapted well to beneficiary countries' realities at a lower cost.
- DAC donors can provide their financing and expertise in development assistance.

Practical Challenges in Triangular Co-operation

However, our interviews with DAC donors and pivotal countries showed that there are several challenges for achieving good results in current triangular co-operation initiatives. These difficulties seem to be similar to the ones faced in other modalities of development co-operation:

- Co-ordination challenges leading to high implementation costs: existence of distinct procedures in institutions from different countries, longer negotiation process, difficulties on agreeing common standards/procedures for measurement and evaluation, and unclear division of roles and responsibilities;
- Lack of demand from and involvement of beneficiary countries, and
- Limited scope/scale of triangular co-operation projects.

Conditions for Achieving Effectiveness in Triangular Co-operation

Our interviews suggest that some of the above-mentioned difficulties can be overcome and the benefits of triangular co-operation may be better achieved when:

- Beneficiary countries participate actively in and have ownership over projects/programmes, helping to adapt them to local realities;
- Pivotal countries and the DAC donors align to beneficiary countries' development priorities;
- Partners delegate responsibilities based on their area of expertise, so as to use their comparative advantages at best.

Evidence from interviews implies that delegation of responsibilities may improve co-ordination and reduce transaction costs of implementing triangular co-operation projects/programmes. However, we could not draw a definitive conclusion about cost-effectiveness. It appears that triangular co-operation may still be very costly because the transaction costs of negotiations might be high.

Topics for Further Discussion

Further research and debate on triangular co-operation and aid effectiveness is welcome, addressing not only the arguments presented in this study, but also questions that could not be discussed in this opportunity. Examples of discussions topics are:

- What is the benefit of triangular co-operation when compared to other co-operation modalities (*i.e.* bilateral co-operation, multilateral co-operation, South-South co-operation)?

- Can triangular co-operation become an alternative to other types of cooperation (bi-, multi-, SSC)? How? In what circumstances?

- Is it possible to agree on certain principles of effectiveness in triangular co-operation?

- How can we guarantee effective evaluation and mutual accountability in triangular initiatives?

- Can triangular co-operation be cost-effective?

- How can we minimise the transaction costs of triangular co-operation?

- How can we promote the matching of needs and offers in triangular co-operation? In other words, how to identify which developing countries have expertise that might be helpful and well-adapted to other developing countries so as to promote co-operation among them with the support of a DAC donor?

1   Introduction

This paper is motivated by two trends that have become highly prominent in the international dialogue on development co-operation in recent years. The first is the growing role of middle-income countries as not only recipients, but also providers of development co-operation. The second is the increased attention to principles of effective aid, in response to the criticism that decades of aid have not led to the desired results of sustainable economic growth and poverty reduction.

Taken together, these trends raise an important question: can middle-income countries providers of development assistance and "traditional" donors – *i.e.* those that gather in the OECD Development Assistance Committee (DAC) – work together to make aid more effective than it has been in the past? Judging by recent international declarations, governments think they can. At the 2008 UN Development Co-operation Forum, participants called for all providers of development co-operation to arrive at more widely agreed practices and objectives. The Accra Agenda for Action, endorsed by more than 100 governments in 2008, recognises the importance of a close partnership among different development actors and, more specifically, it calls for "further development of triangular co-operation".

It is this concept of triangular co-operation that lies at the centre of our paper, which is designed to support discussions at the Policy Dialogue on Development Co-operation, held in Mexico City on 28-29 September 2009. Based on a study of the available literature and a series of interviews with officials engaged in triangular co-operation initiatives, we address the following questions:

- What are the claimed benefits of triangular co-operation vis-à-vis bilateral forms of co-operation?
- What are the challenges in rendering triangular co-operation an effective mode of development co-operation?
- How can the benefits of triangular co-operation be achieved and its challenges overcome?

The paper recognises that there are diverse definitions and forms of triangular co-operation that can foster development, such as co-operation among three developing countries.[1] However, in order to focus on the objectives of the Policy Dialogue in Mexico City, we have chosen to focus the paper on partnerships between *DAC donors* and *Pivotal Countries*[2] to implement programmes/projects for *Beneficiary Countries*.[3] Our aim is to discuss if triangular co-operation can be an effective modality of development co-operation.

The paper is structured as follows. Section 1 will outline the claimed benefits of triangular co-operation for more effective aid. Section 2 will list the main challenges faced by current triangular co-operation initiatives. Section 3 proposes some conditions for achieving effectiveness in triangular co-operation, based on the principles put forward in the Paris Declaration on Aid Effectiveness. We illustrate our arguments with evidence from two triangular co-operation projects: "Honour and Respect for Bel Air" and the "Public Sector Training and Development Projects in Post-Conflict Countries."

2 The Claimed Benefits of Triangular Co-operation

Advocates of triangular co-operation claim that its value lies in combining the comparative advantages of pivotal countries and DAC donors. As the United Nations Development Programme puts it: "Triangular South-South cooperation is becoming increasingly popular as a way of fostering development by leveraging the best features of cooperation between developing countries with assistance from developed countries" (UNDP, 2004: 2).

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One advantage that pivotal countries are often credited with is an expertise that is adapted well to the needs of beneficiary countries. This adaptability stems from the fact that pivotal countries face or have faced development challenges in environments that are similar to those of beneficiary countries. Whilst social, economic and political contexts vary from country to country, pivotal and beneficiary countries may share economic and geographic characteristics, cultural, historical and regional ties, and common languages (CUTS, 2005; Kumar, 2008; OECD, 2009a: 140). These similarities favour better understanding of beneficiary countries' reality and increase the possibility that solutions designed and implemented in pivotal countries may thus be replicated in beneficiary countries with success. Our interviewees agreed that the use of pivotal countries' experience and know-how is one of the main elements contributing to effectiveness in triangular co-operation.

Pivotal countries give two main contributions to effectiveness in triangular co-operation: first, they have expertise that is adapted well to the needs of beneficiary countries; second, they can provide consultancy services and technologies at low prices

There are varied opinions about the financial advantage of triangular co-operation vis-à-vis bilateral modalities. Even if the services and technologies of pivotal countries are less costly than those of DAC donors, the complex process of negotiation among multiple partners may increase costs too much.

A second advantage of pivotal countries is that their experts, services and technologies cost less than those of DAC Members countries, rendering triangular co-operation more cost-effective than traditional bilateral aid. Some argue that developing-country experts costs one third of developed country experts at prevalent international rates (CUTS, 2005: 4). However, others point out that triangular co-operation may increase the transaction costs of development co-operation (Ashoff, 2009: 8), particularly in the initial phase of projects/programmes, when multiple partners have to negotiate the objectives, activities and procedures of their collaboration. These negotiation costs would thus have to be weighed against the costs saving resulting from less expensive services and technologies.

The main advantages brought to triangular co-operation by DAC donors are their funding and years of know-how in development assistance. Their support may enable co-operation among developing countries or increase the scope and impact of such partnership. UNDP (2004: 2) claims that: "In order to maximize their financial, logistical and technical resources, [developing] countries can ask for the support of a Northern donor as a third partner" (similar claims are made in Braude *et al.*, 2008: 4; and SEGIB, 2007: 19). Kumar (2008: 5) explains that "Even though developing countries may have development experiences to share with other developing

DAC donors can provide the financial and technical support needed for enabling co-operation among developing countries or increasing the scope and impact of such partnership.

countries, their funding capacities may be limited. Hence, TDC [triangular development cooperation] is a win-win approach to meet the ends of both Northern as well as Southern partners." He adds that with the help of DAC donors, "Triangular cooperation could thus assist in fuller exploitation of potential of SSC [South-South co-operation]" (Kumar, 2008: 12). Whilst DAC donors often finance triangular co-operation, their role may go beyond financing. Many of our interviewees expressed that deeper engagement of DAC donors is desirable so as to promote fuller use of each partner's distinct expertise. DAC donors could contribute with their know-how in development assistance, for example in the design and evaluation phases of triangular co-operation projects.

3   Practical Challenges in Triangular Co-operation

Our interviews suggest that, in practice, the claimed benefits of triangular co-operation may be difficult to realise. They are hindered by difficulties in co-ordinating partners, involving beneficiary countries in projects, and enlarging the scale and scope of triangular co-operation projects. Of course, these challenges are not unique to triangular co-operation and are recognised as threats to effective aid in general by the Paris Declaration on Aid Effectiveness.

Practical challenges concern mainly partners' co-ordination, involvement of beneficiary countries, and limited scale and scope of triangular co-operation projects. Some of these problems are also faced in other modalities of development co-operation.

The main obstacle to effective triangular co-operation seems to be co-ordination among partners. This challenge is noted in the Paris Declaration, which recommends harmonisation of donors' policies and procedures to decrease costs of development assistance (OECD, 2005: 6). In the case of triangular co-operation, the presence of multiple stakeholders may hamper harmonisation and increase transaction costs, as a result of:

- Existence of distinct procedures in partner institutions from different countries (*e.g.* organisation of work at field level, performance assessment frameworks, evaluation techniques…);
- Longer negotiations on the operational aspects of the project/programme;
- Difficulties on agreeing common standards/procedures for monitoring and evaluating projects, and
- Unclear division of roles and responsibilities leading to inefficiencies in implementation.

Not all interviewees agreed that triangular co-operation raises co-ordination costs. Some noted that, in practice, triangular co-operation often builds on existing bilateral co-operation, for example when a bilateral initiative is replicated in third countries or a third partner joins an existing project/programme.

A second challenge pointed out by interviewees was that beneficiary countries were insufficiently engaged in the planning and execution of triangular initiatives. This appears to run counter to the well-recognised principle that beneficiary countries must exercise effective leadership over development programmes and projects in order for them to achieve their desired development results. Beneficiary country's ownership is one of the pillars of the Paris Declaration on Aid Effectiveness.

A third difficulty in triangular co-operation mentioned by interviewees is the limited scale and scope of triangular co-operation initiatives – which usually adopt a project-based approach. The Paris Declaration on Aid Effectiveness highlights that the main risk of projects is the potential disconnection with broader development goals established by beneficiary countries (OECD, 2005: 2). In addition, the multiplication of projects may generate duplication of efforts, dispersion of resources and incoherence among different initiatives.

4   Conditions for Achieving Effectiveness in Triangular Co-operation

In this final section, we discuss how to achieve the claimed benefits of triangular co-operation and overcome its practical challenges. Since the recommendations of the Paris Declaration on Aid Effectiveness focus on minimising difficulties that also affect the performance of triangular initiatives, we will use the Paris Declaration's principles to study how triangular co-operation can achieve better results for beneficiary countries. Our interviews imply that triangular co-operation might be more effective when the following principles are observed: ownership of beneficiary countries, alignment with local development priorities and harmonisation of partners' procedures. We could not gather enough information to discuss how triangular co-operation benefits from results-oriented management or mutual accountability. In order to illustrate our argument, we will provide examples from two triangular co-operation projects – "Honour and Respect for Bel Air" and the "Public Sector Training and Development Projects in Post-Conflict Countries" (Box 1 and 2).

Box 1. **Project "Honour and Respect for Bel Air"**

The project "Honour and Respect for Bel Air" aims to promote security and development in the neighbourhood of Bel Air, Port-au-Prince, Haiti. It is led by the Brazilian NGO Viva Rio with the support of the Brazilian government, Canada, Norway and international organisations. The main partners are:

- The Haitian government, public companies and civil society (*Beneficiary Country*);
- Viva Rio, implementing NGO from Brazil (*Pivotal Country*);
- The Brazilian Embassy in Port-au-Prince (*Pivotal Country*);
- The Canadian International Development Agency (CIDA), from Canada (*DAC donor*);
- The Norwegian Ministry of Foreign Affairs (MFA), from Norway (*DAC donor*);
- The Norwegian Church Aid (NCA), a NGO from Norway (*DAC donor*), and
- The Inter-American Development Bank (IDB), sponsoring the project.

Viva Rio has been operating in Haiti since 2004 and has focused its activities in Bel Air since 2007. Its mission in Bel Air is to reduce armed violence and promote urban rehabilitation, focusing on ensuring security, development and human rights of inhabitants. The areas of intervention are diverse, including water supply, solid waste management and education. Viva Rio pays special attention to associate its activities with peace-keeping purposes, women empowerment and youth education.

It is important to clarify that the government of the pivotal country (*i.e.* Brazil) does not participate directly in the implementation of this project, which is led by the NGO Viva Rio. The Brazilian government has a supportive and advisory role, participating, for instance, in the Steering Committee of the project. However, Brazil is considered the pivotal country in this case because the expertise in dealing with armed violence and situations of urban precariousness was developed in this state.

Results

In 2008, good results were already achieved in areas such as security, water distribution and solid waste management. For instance, there was an important reduction of urban violence and numbers of homicides after the signature of a peace accord among rival groups. The rate of homicides in Bel Air decreased from 26 deaths per 100,000 inhabitants in 2006/2007 to 17 deaths per 100,000 inhabitants in 2008/2009. This number is lower than those of many cities in Latin America and comparable to the 2006 homicide rate in Detroit, USA (Viva Rio, 2009: 20-21). In addition, access to water has been increasing after the improvement of distribution channels and the reduction of prices. Today, the distribution of drinking water is managed in partnership with Bel Air community and reaches nearly 24,000 people. Finally, waste collection was also improved. The cleanup operations, carried out in cooperation with Haitian authorities, have made it possible to unclog waste-filled water mains, making the neighbourhood healthier and safer in the event of heavy rainfall.

These results might be partially due to Viva Rio's choice of focusing its attention on only one neighbourhood and not the whole city of Port-au-Prince. Thus the NGO could invest in a comprehensive development project that addresses many of Bel Air problems and achieves more and better results in a shorter period of time. It appears that many NGO's take the opposite approach: they disperse efforts over many neighbourhoods of Port-au-Prince or the entire country, conducting many but very small interventions.

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Box 2. **"The Public Sector Training and Development Project in Post-Conflict Countries"**

"The Public Sector Training and Development Project in Post-Conflict Countries" is a triangular co-operation involving South Africa, Rwanda, Burundi and Southern Sudan supported by Canada. The agencies involved in the project are:

- The "Ecole Nationale d'Administration" (ENA), the Management Development Institute (MDI) from Burundi (*Beneficiary Country*); [4]
- The Rwanda Institute of Administration and Management (RIAM), the MDI from Rwanda (*Beneficiary Country*);
- The Capacity Building Unit of the Government of Southern Sudan[5] (*Beneficiary Country*);
- The Public Administration Leadership and Management Academy (PALAMA), the MDI and implementing agency from South Africa (*Pivotal Country*), and
- The Canadian International Development Agency (CIDA), from Canada (*DAC donor*).

The purpose of this initiative is to "support public sector training and development" aiming to improve service delivery in three post-conflict countries: Rwanda, Burundi and Southern Sudan (CIDA website, Project Browser). The training methodology is developed by PALAMA and the partner MDIs in the three post conflict countries and covers four areas: "project management," "financial management," "human resource planning" and "monitoring and evaluation" (PALAMA, 2008: 2). During its five-year duration (2008-2013), the project is expected to provide training for "approximately 6,700 middle and senior public service managers" (CIDA website, Project Browser).

Results
During interviews, partners' opinions about the project were very positive, even if it is too early to draw definitive conclusions about it. The main positive aspect seems to be the high level of commitment and participation of beneficiary countries, which has already produced some good – and somehow unintended – results:

- Change of mentality: beneficiary countries have been participating actively in the project and, as a result, they are increasingly aware of the importance of ownership over their own development.
- Strengthened relations among beneficiary countries: the project has been an opportunity for building trust and strengthening relations between countries that were not in close contact before. For instance, Rwanda and Burundi are now exchanging information about public sector training.

Even if the expected results are not concrete yet, partners are already thinking about long-terms plans and scaling-up. Plans involve replicating the initiative into a regional programme and inviting other DAC donors to support it. A long-term project co-ordinator has just been appointed to serve in the new PALAMA's office in Kigali (Rwanda). In the long run, the idea is to turn Kigali's office into a regional hub for development co-operation in public service training. PALAMA has also been talking with DFID (United Kingdom Department for International Development) and Germany about the possibility of supporting the project. It appears that these donors are very interested in the proposition.

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4.1 Alignment with National Development Priorities

Alignment of donors' support on partner countries' national development strategies, institutions and procedures is one of the main messages of Paris Declaration on Aid Effectiveness. In the case of triangular co-operation, alignment of co-operation activities with national development priorities is important for ensuring good adaptation of pivotal countries' practices to beneficiary countries' realities. Beneficiaries' priorities should constitute the criteria for choosing implementing

Alignment with beneficiary countries' development priorities ensures good adaptation of pivotal countries' practices to beneficiary countries' realities

agencies that have relevant expertise to address national development challenges. They should also be taken on board during negotiation, formulation, implementation and evaluation of triangular co-operation. Otherwise, instead of "adaptation" it would be an "imposition" of foreign practices.

If triangular co-operation projects are aligned well with the objectives set out in the national development strategies, then the risks of dispersion of efforts and incoherence among different development initiatives – usually connected to project-based approaches – may be reduced.

Overall, the Bel Air and the Public Sector Training projects seem to be aligned with the priorities of the respective beneficiary countries. In both cases, the implementing agencies from pivotal countries have relevant expertise to share with beneficiary countries and the views and needs of local governments and/or populations are taken into account in project design and implementation.

The high incidence of armed violence in a context of poverty and great socio-economic inequality is a challenge shared by the "favelas" in Rio de Janeiro and poor neighbourhoods in Port-au-Prince. Viva Rio has been working for more than a decade in such a context, designing and implementing projects for urban rehabilitation and the reduction of armed violence in poor neighbourhoods of Rio de Janeiro. This experience enables the Brazilian NGO to develop certain activities in Bel Air that have not been completely performed by the Haitian government.

Besides having relevant expertise, Viva Rio attempts to understand the local context in deep before planning its activities so as to attend local needs and priorities. For instance, the NGO has conducted an extensive household survey (with more than 10,000 families) in 2007 and also preliminary research on Bel Air's water market before structuring their water-supply project. This attention to local reality helps the adaptation of projects to the Haitian context and facilitates alignment to local development priorities.

Finally, Viva Rio also maintains a close dialogue with the representatives of the Haitian government and civil society organisations participating in the Steering Committee of the Bel Air project. This contact also facilitates alignment to local development priorities.

In the Public Sector Training project, the pivotal and beneficiary countries have needed to improve the quality of their public services after a period of political instability and subsequent transitions to a democratic regime. South Africa is not a post-conflict country, but faced major challenges in public sector management during the transition from the apartheid regime. PALAMA, the South African Management

Development Institute (MDI), developed expertise in public management training, enabling the institution to support the MDI's from Burundi, Rwanda and Southern Sudan.

Burundi, Rwanda and Southern Sudan have the opportunity to express their development priorities in the Public Sector Training project. The respective MDIs participate actively in designing the curricula and training programmes, which are developed according to each country needs. Here, beneficiary countries' ownership and project's alignment with national development priorities are closely linked.

4.2   Active Engagement of Beneficiary Countries

Alignment to national development priorities and use of relevant expertise from pivotal countries may not

Active participation of beneficiary countries will help ensuring that local priorities are respected, and will support developing local capacity to manage the development process.

be sufficient to guarantee that a triangular co-operation programme/project will be able to address development challenges in beneficiary countries. The Paris Declaration on Aid Effectiveness and Accra Agenda for Action point to the primary importance of ownership for effective development co-operation. So does the final report of the United Nations Development Co-operation Forum 2008: "Effectiveness of South-South and triangular cooperation also rests on national leadership. (...) as in North-South cooperation it is imperative that programme countries show leadership by defining priorities and needs" (UN ECOSOC, 2008b: 19).

Engaging beneficiary countries in the design, implementation and monitoring of triangular co-operation projects will help ensuring that local priorities and systems are respected, and will support beneficiary countries in developing their capacity to manage the development process. However, as discussed in the previous section, involving beneficiary countries in triangular co-operation may be challenging in practice. Since it would be "easier" to implement projects without consulting local governments or civil society, the implementing agencies should devote efforts and time to co-ordinate with and guarantee active participation from local partners. This difficulty was found during the implementation of both the Bel Air and the Public Sector Training projects.

During implementation of the Bel Air project, Viva Rio works together with civil society organisations, local public administrations and local population – employing a majority of Haitians to conduct its work in Bel Air. For example, on water-supply projects, the NGO has been working with CAMEP ("Centrale Autonome Métropolitaine d'Eau Potable"), the public water-supply company. This active engagement of different groups from beneficiary country helps to build local knowledge about how to address their own development challenges. With regards to accountability, Viva Rio provides reports of activities to local public administrations on a demand-driven and *ad hoc* basis. But their reports, work plans and research papers are also available at their website: www.comunidadesegura.org/en/node/42433

Beneficiary countries are also engaged in every phase of the Public Sector Training project. MDI's from South Africa, Rwanda, Burundi and Southern Sudan work jointly, taking every decision concerning the project's administration and the development of training programs together. Our interviewees agreed that the active engagement of beneficiary countries has:

- Contributed to adapt the curricula and training methods to local needs;
- Promoted local learning and capacity development in the design of public-sector training programmes, and
- Helped building mutual knowledge, trust and confidence among partners.

4.3 Clear Assignment of Roles and Responsibilities

The main claimed benefit of triangular co-operation is the effective combination of the strengths of different partners. According to the Paris Declaration on Aid Effectiveness, donors' actions are more effective when they are harmonised, achieving greater complementary and reducing transaction costs when they adopt a "pragmatic approach to division of labour" (OECD, 2005: 6). If we apply this recommendation to triangular co-operation, partners may benefit from a clear assignment of roles and responsibilities according to their area of expertise, contributing to harmonise and enhance complementarity of their actions. According to the Brazilian Co-operation Agency (ABC), obtaining satisfactory results in triangular co-operation – a "new and [operationally] challenging environment" – depends on the successful division of responsibilities among the partners (including their respective HQs and at the field level). Other interviewees agreed that defining respective responsibilities from the outset of their project/programme facilitated co-ordination during the implementation and evaluation stages.

Clear assignment of roles and responsibilities among partners increases complementarity and facilitates co-ordination during implementation and evaluation of triangular co-operation.

We could not draw any conclusion about the impact of better co-ordination on cost-effectiveness of triangular co-operation.

We could not collect any evidence that would allow measuring the impact of triangular co-operation on financial costs of development assistance. Thus, no conclusions about cost-effectiveness can be drawn.

The most common division of roles in triangular co-operation is to assign the provision of financial resources to DAC donors and delegate formulation and implementation to pivotal and beneficiary countries. This is the case of both of our case studies. There are also examples of triangular co-operation where DAC donors and beneficiary countries have leading roles and pivotal country provides limited technical assistance in some aspects of the project. For instance, the project SMASSE ("Strengthening of Mathematics and Science in Secondary Education Project") started as a bilateral partnership between Japan and Kenya, but Malaysia and the Philippines joined later to provide training to Kenyans (JICA – Japan International Cooperation Agency, 2006: 95-96).

In Bel Air, Viva Rio is in charge of the project's formulation and implements the activities in partnership with Haitian public administrations and civil society. Canada, Norway and IDB sponsor the project, and the Brazilian embassy in Port-au-Prince gives institutional support to Viva Rio since the NGO's arrival in the country. The embassy facilitates relations with Haitian government, UN, UNDP, MINUSTAH (United Nations Stabilization Mission in Haiti) and Brazilian troops in Haiti.

However, co-ordination appears to be less efficient with regards to evaluation and co-ordination of different sponsors. Working with many donors requires a lot of effort from Viva Rio, which has to negotiate small-scale contributions several times. Moreover, each donor has requested individual monitoring reports from the NGO, and they have been planning to conduct separate project evaluations. CIDA, NCA and IDB are now considering the possibility of harmonising their evaluations in order to reduce the burden on Viva Rio. It would be interesting if donors could also co-ordinate themselves for the approval of work plans.

In the Public Sector Training project, roles seem to be clearly divided among partners: Canada mainly provides financial support and MDI's from South Africa, Burundi, Rwanda and Southern Sudan implement the project. Decisions concerning the project's orientations (*i.e.* approval of the work plan) are taken together in the Steering Committee's meetings, which happen twice a year. The Committee is composed by representatives from the three MDI's, PALAMA, CIDA and South Africa's National Treasury.[6] Although its main contribution is financial, CIDA also provides some elements of technical co-operation when asked by the other partners. For example, Canadian experts were invited to conduct part of the trainings in French for Rwanda's and Burundi's nationals**.**

5   Conclusion

The objective of this study was to provide an introductory discussion on how triangular co-operation can be an effective modality of development co-operation and deliver better development results in beneficiary countries. Our analysis suggests that triangular co-operation may be a good opportunity for joining efforts and using the comparative advantages of DAC donors and pivotal countries to support the development of beneficiary countries. However, in order to achieve these benefits and overcome the practical challenges of triangular co-operation, it is important to observe certain principles of effectiveness. Respect to ownership, alignment and harmonisation may be particularly useful for promoting good results in triangular co-operation.

As noted in the introduction, this paper is meant to provoke discussion and reflection about triangular co-operation and aid effectiveness. Therefore, further research and debate on this topic is welcome, addressing not only the arguments presented in this study, but also other questions that could not be discussed in this opportunity. Examples of discussions topics are:

- What is the benefit of triangular co-operation when compared to other co-operation modalities (*i.e.* bilateral co-operation, multilateral co-operation, South-South co-operation)?
- Can triangular co-operation become an alternative to other types of cooperation (bi-, multi-, SSC)? How? In what circumstances?
- Is it possible to agree on certain principles of effectiveness in triangular co-operation?
- How can we guarantee effective evaluation and mutual accountability in triangular initiatives?
- Can triangular co-operation be cost-effective?
- How can we minimise the transaction costs of triangular co-operation?

- How can we promote the matching of needs and offers in triangular co-operation? In other words, how to identify which developing countries have expertise that might be helpful and well-adapted to other developing countries so as to promote co-operation among them with the support of a DAC donor?

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Annex: Definitions of Triangular Co-operation

Even if there is no official definition of triangular co-operation, it is generally described as a partnership between developing countries for implementing a development project/programme with the support of a developed country or an international organisation (see UNDP, 2004: 2; CUTS, 2005:1; Kumar, 2008: 2; UN ECOSOC, 2008a: 3). The UNDP defines triangular co-operation "as a way of fostering development by leveraging the best features of cooperation between developing countries with assistance from developed countries" (UNDP, 2004: 2). Other sources provide similar definitions:

- UN ECOSOC (2008a: 3): "Triangular development cooperation has been interpreted as OECD/DAC donors or multilateral institutions providing development assistance to Southern governments to execute projects/programmes with the aim of assisting other developing countries."

- Kumar (2008: 2): "A relatively new trend reinforcing SSC is of triangular development cooperation (TDC) with Northern countries and multilateral agencies supporting the programmes of cooperation between developing countries."

- CUTS (2005:1): "'trilateral development cooperation' where aid is channelled through institutions in third countries for being applied to development projects in poor countries."

Some defend that there can be triangular co-operation among developing countries only. For instance, Abdenur (2007: 1) writes that triangular co-operation is an arrangement where "a developing country partner with either another developing country or an industrialized counterpart to lend technical assistance to a third country." One example of triangular co-operation among developing countries cited by different authors is the IBSA initiative, which regroups India, Brazil and South Africa. IBSA aims to co-ordinate member countries in many different areas, including co-operation with other developing countries that may benefit from Indian, Brazilian and South-African expertise (Abdenur, 2007; Braude *et al.*, 2008; CUTS, 2005; UN ECOSOC, 2008).

In this paper, we focus on partnerships between *DAC Donors* and *Pivotal Countries* (providers of South-South Co-operation) to implement development-co-operation programmes/projects in *Beneficiary Countries* (recipients of development assistance). It is expected that this working definition will allow concentrating our attention on the dynamics of collaboration between DAC donors and participants in SSC and studying the potentialities and shortcomings of this partnership. It is important to clarify that our definition does not imply that triangular co-operation necessarily involves only three partners. In fact, it is a partnership among *three types of development actors*: *DAC donors*, *Pivotal Countries* and *Beneficiary Countries*. The actual number of partners may be higher than three, as it is noted by CIDA (Canadian International Development Agency, 2007: 1) and CUTS (Centre for International Trade, Economics & Environment, 2005: 3).

Finally, we note that the adjectives "tripartite" or "trilateral" are also used in the place of "triangular" by some countries (*e.g.* Sweden, Canada). We chose to employ "triangular cooperation" or "triangulation" because these terms are used by many countries and international organisations as well as in international fora (*e.g.* UNDP Special Unit for South-South Co-operation, G8, G77, OECD, Asian Development Bank).

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[1] See Annex for a discussion of the definitions of triangular co-operation

[2] We consider the expression "pivotal country" the most suitable for naming the countries providers of South-South co-operation. The terms "emerging donors" and "non-DAC donors" do not describe this group of countries accurately even if they are employed more often. Some pivotal countries began to provide assistance as early as many DAC donors; therefore, it is not adequate to call them "emerging donors." "Non-DAC donors" does not appear to be very appropriate either since it is not precise and defines the group by what they are not. According to UNDP: "Pivotal countries can be defined as developing countries which, by virtue of their capacities and experience in promoting South-South cooperation, are positioned to play a 'lead' role in the promotion and application of TCDC [technical cooperation among developing countries], mainly by sharing their capacities and experience with other developing countries; although they could themselves also benefit from the experience of such countries." For further information, please refer to UNDP SU/SSC website: http://tcdc.undp.org/knowledge_base/pivotal_issue.html

[3] Throughout this paper, the terms *Pivotal Country* and *Beneficiary Country* will be used to distinguish between provider and recipient of development co-operation. In some of our references the expression "recipient country" is used instead of "beneficiary country."

[4] For simplicity purposes, the "Ecole Nationale d'Administration," the "Rwanda Institute of Administration and Management" and the "Capacity Building Unit for the Government of Southern Sudan" will hereafter be named "Management Development Institutes" (MDI).

[5] Southern Sudan does not have a Management Development Institute as Burundi and Rwanda have; nevertheless they have established a Capacity Building Unit in their recently constituted government for participating in this partnership. The Government of Southern Sudan was established after the signature of the Comprehensive Peace Agreement on 9 January 2005 (Government of Southern Sudan Liaison Office in Pretoria, South Africa, website)

[6] CIDA channels funds through South Africa's National Treasury, which transfer the money to PALAMA.