

South-South Cooperation Triggers New Geography of Trade



Secretary-General Ban Ki-moon (right) meets with Munir Akram, Permanent Representative of Pakistan to the UN and Chairman of the G77 UN Photo

UNITED NATIONS (IPS)

The latest statistics on South-South cooperation are staggering -- characterised by a phenomenal increase in bilateral and triangular agreements in several sectors, including trade, investment, health care, banking, development assistance and science and technology. "The robust economic growth of a number of countries in the South -- such as Brazil, China, India and the Russian Federation, as well as that of a number of other developing countries, including Chile, Egypt, Ghana, Malaysia, Qatar, Singapore, South Africa, Thailand and Turkey -- has had a significant impact on the development prospects of other countries in the South," says Secretary-General Ban Ki-moon in his latest biennial report on 'The State of South-South Cooperation.' The share of world exports among developing countries is now 43 percent compared with 20 percent in 1970. And the annual growth rate of African exports to Asia rose to an all-time high of 30 percent, from 2003 to 2006, according to the study.

In 2005, the combined output of developing economies amounted to more than half of the total world gross domestic product (GDP) in purchasing power parity (PPP). The figures for 2006 are expected to be even higher. "As a result of these and other economic and political trends in the South, economists have noted the rise of a new geography of trade, with emerging markets spurring the dramatic increase in South-South transactions," the Secretary-General notes.

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ASEAN At 40

by Tommy Koh

The 40-year-old Association of Southeast Asian Nations (ASEAN), one of the most vibrant regional organisations, is touted as a prime example of successful South-South cooperation. By 2015, the 10 ASEAN economies, with a market of 550 million people and a combined GDP of 1 trillion dollars, will be transformed into a single common market. Ambassador Tommy Koh outlines ASEAN's achievements.

ASEAN is 40 years old this year. Although ASEAN has often been praised as the world's second most successful regional organisation, after the European Union, many Western policy makers and specialists on Asia remain sceptical about ASEAN. I would therefore like to focus on what I consider to be ASEAN's important achievements.

ASEAN's No. 1 Achievement: Keeping The Region Peaceful

ASEAN's most important achievement has been keeping Southeast Asia peaceful. This is similar to what I consider the EU's most important achievement: consolidating peace in Western Europe. ASEAN was created in 1967, at the height of the Cold War and the Vietnam War. Today, Southeast Asia is at peace with itself and with the world. While the region is not free of problems, for instance, the recent protests by the monks in Myanmar, and low-level insurgencies in the southern Philippines and southern Thailand, ASEAN continues to be a stabilising influence in the region. Even in the case of Myanmar, ASEAN's policy is to do good rather than to feel good.

ASEAN's No. 2 Achievement: Maintaining Strategic Sea Lanes

Some of the world's most important sea lanes pass through Southeast Asia. Fifty percent of world trade and one-third of the world's oil supply pass through the Straits of Malacca and Singapore. Indonesia, Malaysia and Singapore, like the rest of ASEAN, respect international law. They cooperate with one another, and the International Maritime Organisation (IMO), in keeping the straits used for international navigation and archipelagic sea lanes safe, secure and clean. Recently, Indonesia, Malaysia and Singapore have agreed to establish a cooperative mechanism, open to user states and other stakeholders, to promote and maintain navigational safety in the Straits of Malacca and Singapore, and to protect their marine environment from pollution by ships. This is the first instance in which Article 43 of the Law of the Sea Treaty has been implemented.

ASEAN's No. 3 Achievement:

Creating A Single Market And Production Base

When the West views Asia, their eyes are drawn to the two rising giant economies of China and India, and to Japan, still the world's second largest economy. However, Western eyes should also turn to Southeast Asia that has a market of 550 million people and a combined GDP of 1 trillion dollars. By 2015, the 10 economies of ASEAN will become a single

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PGTF Disburses \$10M to 179 Regional Projects

Interview with Eduardo Praselj,
Chairman of the Perez-Guerrero Trust Fund

UNITED NATIONS (IPS)

“We have provided financial support to 179 South-South cooperation projects since 1987 in the fields of food and agriculture, trade, technology, energy, raw materials, technical cooperation, finance, industrialisation, and health,” Eduardo Praselj, chairman of the Perez-Guerrero Trust Fund (PGTF), told IPS.

The PGTF was established by the General Assembly in 1983 to support activities in economic and technical cooperation among developing countries (ECDC/TCDC). PGTF-funded projects are designed to have “a maximum multiplier effect” and in the case of regional projects, serve as pilot projects for other regions.

The Trust Fund is named after the late Manuel Perez-Guerrero, chairman of the Group of 77 (1980-1981) and secretary general of the UN Conference on Trade and Development (UNCTAD) (1969-1974). Funds are channelled through the United Nations Development Programme (UNDP), following the approval by the Group of 77.

Praselj has served as deputy minister of energy and mines in Venezuela and as president of Petroquímica de Venezuela. IPS U.N. Correspondent Mithre J. Sandrasagra spoke to Praselj about the PGTF:

IPS: How has the responsiveness of the PGTF to the growing need for supporting South-South cooperation contributed to achieving the MDGs?

Eduardo Praselj: PGTF operations were launched in 1987 with a core capital of 5.0 million dollars so that only interest accrued on the core capital could be used for supporting projects. PGTF so far has provided financial support to 179 South-South cooperation projects, involving directly 114 countries and collectively all the G-77 members. Total allocation amounts to 10.1 million dollars. These projects include the priority areas of the Caracas Programme of Action on ECDC [economic cooperation] adopted in 1981 and the South-South coopera-

tion areas of the Havana Programme of Action adopted in 2000. These areas include food and agriculture, trade, technology, energy, raw materials, technical cooperation, finance, industrialisation, and health. Although the guidelines for utilisation of PGTF establish that PGTF can only provide catalytic support to S-S cooperation projects, completed projects represent a contribution towards meeting some of the MDGs. Detailed information on impact of completed projects can be found in the “Survey” page of the PGTF section on the G-77 webpage (www.g77.org).

IPS: In light of the sizeable reduction in interest rates in recent years, how critical have new contributions become in supplementing PGTF interest earnings?

Praselj: PGTF was originally designed to operate on the basis of the interest earnings of its initial core capital (5.0 million dollars). From 1987 to 1999 these earnings averaged 500,000 dollars per annum and provided the basis for supporting 61 projects with a total allocation of 5.1 million dollars. From 2000 to 2007 interest earnings of the initial core capital have averaged some 230,000 dollars per annum. Contributions have been critical in preserving partially the responsiveness of PGTF to meeting S-S cooperation’s growing requirements. Impact of new contributions has significantly increased availability of resources.

IPS: What efforts are being made to expand the PGTF core resources?

Praselj: In 1997 the Group of 77 launched a fund-raising effort aimed at increasing PGTF resources. The main targets were member countries and international organisations. Up to mid-December 2007 PGTF has received 59 contributions from 24 member countries totalling 1.28 million dollars. This amount includes a 1.0-million-dollar contribution to the core capital by Venezuela. In addition, PGTF and the International Fund for Agricultural Development (IFAD) signed in 2006 a Grant Agreement providing for a contribution by IFAD of 200,000 dollars over a two-year period. The first tranche of 100,000 dollars has already been disbursed

and will support three projects.

There is a regular fund-raising effort geared towards enlisting contributions from G-77 member countries. While many countries announce and make their contributions throughout the year, the G-77 has opened a new channel for contributions, namely the U.N. Pledging Conference for Development Activities. PGTF was included in this mechanism in December 2003 and has received through this channel pledges totalling some 72,000 dollars.

In order to increase the impact of PGTF resources, the Fund has been working on co-financing agreements with other institutions. This includes on the one hand case-by-case approaches since project sponsors are required to secure inputs from other sources of an amount at least equal to the resources requested from PGTF. On the other hand PGTF has worked on more structured schemes with other institutions with a view to have more predictability and stability in the co-financing activities. For instance, the United Nations Industrial Development Organisation (UNIDO) has co-financed so far two projects with PGTF -- one completed and one under implementation -- where UNIDO’s contribution amounts to 148,000 dollars.

IPS: Looking forward, what are the major challenges facing the PGTF?

Praselj: To preserve the responsiveness of PGTF to the growing needs for supporting S-S cooperation through mobilisation of additional resources, both from G-77 member countries and international organisations. To approach other institutions -- both governmental and private -- as potential donors, with a view to establishing long-term cooperative arrangements. To approach and motivate institutions of the South capable of preparing good project proposals to submit proposals to PGTF on a regular basis, so as to ensure that PGTF-supported projects have a high quality, large impact and potential for replication. To continuously improve the operating arrangements related to the submission, appraisal, approval, and implementation of projects, in order to facilitate the submission of proposals and timely implementation of approved projects.

Impact of Contributions to PGTF

Year	Interest earnings of initial core capital (US\$)	New contributions (US\$)	New contributions as % of interest earnings of initial core capital
2000	253,600	6,000	2
2001	283,800	7,000	2
2002	212,100	14,300	7
2003	176,200	16,600	9
2004	192,500	48,500	25
2005	208,700	95,200	46
2006	227,000	98,700	43
2007	267,000	196,700	74

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market and production base, with the free flow of goods, services, investment and skilled labour, and freer flow of capital. ASEAN will also be linked, through FTAs and comprehensive economic partnership agreements, to the economies of China, Japan, Republic of Korea (ROK), India, Australia, New Zealand and the European Union, and a trade and investment framework agreement with the United States.

ASEAN's No. 4 Achievement: Paradigm of Multiculturalism

ASEAN is a microcosm of the world. Southeast Asia is home to many ethnic and tribal groups, languages and cultures, and all the world's great religions. One of ASEAN's most impressive achievements is the success of its multiculturalism and its ability to forge unity in diversity. In a world which is often troubled by conflicts and misunderstandings involving ethnicity, tribalism, languages, cultures and religions, ASEAN is a shining example of successful multiculturalism.

ASEAN's No. 5 Achievement: Convenor, Facilitator and Regional Architect

Asia and the world are in the midst of a long transition from a bipolar world, to a unipolar world and now to a multipolar world. When the Cold War ended, ASEAN took the initiative to launch the ASEAN Regional Forum (ARF), bringing all the regional and extra-

regional powers, with a stake in the security of the Asia-Pacific, together. This inspiration is similar to that which led to the founding of the CSCE, which has now become the OSCE. While progress in the ARF has been slow, it is still the only security forum of the Asia-Pacific. The ARF has recently moved from confidence-building into preventive diplomacy.

After the 1997 Asian financial crisis, when the fall of the Thai baht ricocheted to South Korea, it was clear that Northeast and Southeast Asia are interlinked. This was why ASEAN launched the ASEAN+3 (China, Japan, ROK) process. With the rise of India and growing connectivity between India, Australia and New Zealand, and Northeast and Southeast Asia, it was logical for ASEAN, in 2005, to launch the East Asia Summit (EAS) comprising ASEAN and what is effectively a +6 - China, Japan, ROK and Australia, India and New Zealand. Apart from its economic logic, the EAS has great strategic significance as Asia's peace depends on China, Japan and India's ability to live at peace with one another. ASEAN, neutral and acceptable to all, has played the vital role of convenor, facilitator and architect of the evolving regional architecture.

ASEAN's No. 6 Achievement: ASEAN Charter

In November 2007, at the 40th Anniversary ASEAN Summit in Singapore, ASEAN's leaders signed the ASEAN Charter. This was a

historic event. How will the ASEAN Charter reshape ASEAN? It will, inter alia: (i) transform ASEAN from a loose association into a rules-based organisation which will compel members to take agreements and commitments seriously, with a procedure for monitoring compliance and a system of dispute settlement; (ii) establish an ASEAN human rights body; (iii) promote ASEAN's economic, political and socio-cultural integration; (iv) commit to certain principles such as democracy, human rights and fundamental freedoms, rule of law, good governance and constitutional government; (v) empower the ASEAN Secretary-General and the ASEAN Secretariat; (vi) create new ASEAN institutions, while streamlining ASEAN's structure and decision-making processes, (vii) make ASEAN more cohesive, efficient and effective, as well as people-oriented.

Conclusion

Over the past 40 years, ASEAN has achieved much to be proud of. ASEAN has kept the peace in Southeast Asia. Our 10 economies are progressively being integrated into a single economy. ASEAN is also evolving into a security community and a socio-cultural community, with a sense of ASEAN identity, shared values and a common vision. Simultaneously, ASEAN is helping to shape the evolving architecture of the region. Finally, with the Charter, ASEAN is reinventing itself into a more rational, coherent and dynamic organisation.

Singapore is currently the Chair of ASEAN. Tommy Koh is Ambassador-At-Large at the Ministry of Foreign Affairs, Singapore, and Chairman of the Institute of Policy Studies. He was Singapore's Permanent Representative to the United Nations in New York from 1968 to 1971 and from 1974 to 1984. He was Ambassador to the United States of America from 1984 to 1990. Prof Koh was President of the Third UN Conference on the Law of the Sea from 1980 to 1982.

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EAC Common Market By 2010?

UNITED NATIONS (IPS) - East African Community (EAC) member states -- Burundi, Kenya, Rwanda, Tanzania and Uganda -- have commenced negotiations that are expected to lead to the establishment of a single EAC common market by 2010.

Since the start of EAC negotiations in 1996, member states have recorded unprecedented growth in trade volumes, said John Arap Koech, chairman of the EAC council of ministers. Kenya's trade volume with its neighbours Uganda and Tanzania has grown at an average rate of 55 percent annually since EAC inception. Uganda is the leading destination for Kenyan exports in Africa, constituting 36 percent of the total African market, while Tanzania is second at 18 percent.

A common market for the region will allow the free movement of goods, labour, services and capital among the people in the EAC region and enable the customs union already es-

tablished among the member states to operate smoothly, according to Barrack Ndegwa, director of the EAC. The EAC boasts a combined gross domestic product of 50.2 billion dollars and a combined population of almost 120 million people.

The common market will promote increased productivity, wealth creation and competitiveness, and enhance the entrepreneurial capacity of the private sector and lead to better standards of living for East Africans, Eriya Kategaya, Uganda's minister for East African Community Affairs, said at a October 2007 EAC meeting focused on the common market process. Over 70 participants, among them senior government officials and experts from EAC partner states and the EAC Secretariat, attended the meeting held in Entebbe, Uganda.

The experience and trust that the EAC has gained and engendered over the years during the negotiations for the treaty to establish the

EAC and the Customs Union would be useful in common market negotiations, Kategaya said. The ongoing implementation of the Customs Union has enhanced free movement of goods and services and resulted in increased volumes of trade within and amongst the partner states.

Noting that sensitive issues could arise, Kategaya stressed that negotiations should adopt a spirit of give and take and always focus on greater collective East African interests. The EAC common market is recognised as a crucial step towards an East African political union.

The EAC common market roadmap unveiled by EAC heads of state during their seventh summit in April 2006 indicates that December 2008 should be the signing date of the common market protocol. June 2009, according to the roadmap, is the target for ratification of the protocol and January 2010 is the target for launching the common market.

Oil Producers Share Experiences With Emerging Nations

by Mithre J. Sandrasagra

UNITED NATIONS (IPS)

As numerous developing countries are poised to enter the oil and gas market, Qatar has initiated a mechanism for current petroleum-exporting countries to share their knowledge and experience with emerging and potential oil- and gas-producing nations.

"Energy issues transcend boundaries," explained Habib El-Habir, director and regional representative of the UN Environmental Programme (UNEP), at a High-level Meeting on Oil and Gas Development hosted by Qatar in September 2007.

The meeting brought together senior officials from UN agencies and international organisations and 42 countries of Africa, Asia and Latin America.

Participants focused on how emerging oil-producing states can employ good governance models to avoid political instability and civil strife, and how oil revenue can be used to achieve economic stability and promote the achievement of national development targets.

The meeting was "meant to provide an opportunity to share and discuss issues of common interest and review the experience of successful producers for the benefit of those who are at the early stage of development, or intending to venture into the [petroleum] industry," Mohammed S. Al-Sada, Qatar's minister of state for energy and industry affairs, told those gathered.

Al-Sada stressed that the "prerequisite for at-

tracting foreign investment is not only based on ample natural resources, but also requires the introduction of the necessary legislative measures, international systems of accounting and protection of foreign investors' capital."

Every country paid their own way to the meeting, according to the UN, which contributed approximately 10 percent of event's costs.

"The attendees decided the agenda of the meeting, we asked each country what it would like to discuss," according to Yiping Zhou, the director of the Special Unit for South-South Cooperation. "Our agenda is their agenda, we facilitate we do not dictate," he told IPS.

The Special Unit for South-South Cooperation, housed within the UN Development Programme (UNDP), is a semi-independent entity established by the General Assembly in 1978, and whose primary mandate is to promote and support South-South and triangular cooperation on a global and UN system-wide basis.

"With as many as 30 new oil producers slated to come online within the next three to seven years -- all from the South -- it is fitting that we have come together to ensure that the lessons learned by those who have gone before can be transmitted to those who come after," said Zhou.

The Special Unit for South-South Cooperation, the UN Economic Commission for Africa (ECA), the UN Environment Programme (UNEP), the Canadian International Develop-

ment Agency (CIDA) and the Bureau for Policy Development of UNDP jointly coordinated the meeting.

The facilitators of the meeting established projects and networks that future oil producers can turn to for guidance and assistance.

In the months following the meeting, Cambodia, which may reap billions of dollars in new revenues from offshore oil and gas fields in coming years, has been consulting with Qatar and Malaysia about the future of its energy sector, according to the UN.

"I think we have assembled here some of the elements necessary to achieve success in turning natural resource wealth into human wealth," said Zhou.

"We have two objectives coming into this conference: we expect that new and established oil and gas producers will be able to share experiences and best practices, and more importantly, we hope that this dialogue will evolve into an ongoing South-South cooperation network for oil and gas development," said Zhou.

"This network would then offer assistance to newcomers to the sector as they seek to identify and address their hydrocarbon management challenges and the associated institutional gaps and weaknesses."

The timing of this initiative is crucial as the U.S. Department of Energy projects that the global demand for energy will grow by approximately 30 percent between 2007 and 2020.

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Ambassador Munir Akram of Pakistan, current chair of the Group of 77, who is pushing for the convening of a high-level UN Conference on South-South Cooperation in 2008, points out that most of the growth and expansion in the South is unfortunately limited to a few countries. "A great number of developing countries, in particular the least developed, the landlocked and the small island developing states, are still confronted with poverty."

He says the Special Unit for South-South Cooperation has an important role to play, including supporting technical cooperation within countries of the South, promoting South-South cooperation in the work of all UN funds and programmes, and facilitating triangular co-

operation between the North and the South. Ambassador Akram points out the idea of South-South cooperation has come a long way beginning with the concept of technical cooperation among developing countries (TCDC) mooted a few decades ago. "It is a growing and dynamic phenomenon: an important process that is vital to confront the challenges faced by developing countries -- and most importantly it is a manifestation of solidarity, a manifestation of the collective self-reliance of developing countries."

In his report to the General Assembly, the Secretary-General provides a slew of statistics to reinforce the phenomenon of South-South cooperation. Between 1999 and 2005, foreign direct investment (FDI) inflows to develop-

ing countries more than doubled, increasing from 6.3 percent to 15 percent. In 2005, they accounted for 36 percent (or 334 billion dollars) of 916 billion dollars in total global FDI inflows. And total FDI flows into Africa reached 31 billion dollars in 2005, representing a record growth rate of 78 percent over the previous year, primarily as a result of the rise in the price of global commodities.

But this, however, was marked by regional disparities because five countries -- Egypt, Morocco, Nigeria, South Africa and the Sudan -- accounted for 66 percent of total inflows into Africa. Still, the rise in commodity prices in recent years is largely a result of the increase in South-South trade in commodities.

Qatar Pledges to Promote South-South Cooperation

Interview with
Ambassador Nassir Abdulaziz Al-Nasser,
Permanent Representative of the
State of Qatar to the United Nations

UNITED NATIONS (IPS)

“Despite significant progress in the South, the pattern of cooperation has not been commensurate with the comprehensive nature of the commitments contained in the various declarations and other documents on South-South cooperation,” Ambassador Nassir Abdulaziz Al-Nasser of Qatar told IPS. “The existing capabilities and capacities in the South have not been adequately acknowledged and utilised,” he added.

For its part, the government of Qatar has been very active in promoting South-South cooperation. Most recently, the High Level Meeting on Oil and Gas Development was hosted by Qatar and held in Doha from Sep. 8-10, 2007. The meeting brought together senior officials from 42 countries of Africa, Asia and Latin America and from United Nations agencies and international organisations with the objective of sharing experiences among the petroleum-exporting countries of the South. In June 2005, the government of Qatar hosted the Second South Summit, a meeting of world leaders from the 132 developing nations, who discussed strengthening their partnership.

Al-Nasser currently serves as the president of the High-level Committee on South-South Cooperation. IPS U.N. correspondent Mithre J. Sandrasagra recently interviewed Al-Nasser:

IPS: Why is South-South cooperation increasingly important to the world’s developing nations? Can South-South cooperation be viewed from a development angle rather than a political angle?

Ambassador Nassir Abdulaziz Al-Nasser: South-South Cooperation derives its importance from the fact that sustained economic growth since the late 1980s has led an increasing number of developing countries to become regional centres of economic dynamism.

Such importance also stems from the fact that the countries of the South can work together in solidarity to secure and share in gains from the emerging new international trade geography, and design and implement strategies to ensure that the dynamism evident in the new geography of international economic relations is sustained and has a positive multiplier effect throughout the South.

IPS: Are there any trends indicating significant growth in trade and investments among countries of the global South?

Al-Nasser: The volume of trade among the



Ambassador Al-Nasser UN Photo

countries of the South, according to 2004 statistics, has grown significantly to make up 26 percent of developing countries’ exports for that year. It is estimated that the rate has grown during 2005 to 43 percent. Moreover, the 1990s witnessed a faster growth in the South-South foreign direct investment flows than North-South flows. Apparently, the causative factor behind this was the large accumulation of financial surpluses by many developing countries through trade.

IPS: One of the key elements of enhancing South-South cooperation is the sharing of experience and expertise. Could you share some of the successes or best practices learned during the recent High-Level meeting Qatar hosted to enable current petroleum-exporting countries share their knowledge and experience with emerging and potential oil and gas-producing nations?

Al-Nasser: The objective of the meeting was to share experiences and lessons learned in efficient and effective development and management of the petroleum sector, which is of crucial importance to the economies of the countries of the South in their quest for economic and social advancement, including achievement of the Millennium Development goals. Much discussion focused on ways in which existing oil and gas-producing countries can help countries which are emerging producers to strengthen their capacities in the sector. Countries held various bilateral discussions. Some existing oil and gas producers offered to welcome emerging producers on study tours in order to share

experiences on specific issues or approaches to hydrocarbon management and broader policy requirements.

IPS: Can South-South cooperation help developing countries meet targets set by the UN’s Millennium Development Goals, including the eradication of poverty and hunger, and the fight against HIV/AIDS?

Al-Nasser: South-South Cooperation is the vehicle to accelerate development as it fosters partnerships among the middle income developing countries and least developed countries, landlocked developing countries, small island developing states and countries in sub-Saharan Africa, with the view to increasing volume and rate of South-South exchanges in trade, finance, technology exchange and development enterprises. This approach will help accelerate development, thus assisting developing countries to achieve the Millennium Development Goals, including halving poverty by 2015, as well as combating hunger and fighting HIV/AIDS.

IPS: During the Second South Summit in 2005 His Highness Sheik Hamad Khalifa Al-Thani launched the South Fund for Development and Humanitarian Circumstances to address problems of hunger, poverty, and human catastrophes. Could you tell us what the status of the Fund is now?

Al-Nasser: The proposed agreement on the establishment and operationalisation of the Fund was transmitted to the Group of 77 and China in 2005. Since that time, it has been the subject of review... Many valuable comments were made and pertinent amendments to the original proposal were introduced. Nevertheless, there still remain a few points to agree upon. These points are currently under active discussions between the Group and the Qatari authorities. Once a final agreement on these points is reached, the Fund will be operationalised, without any further delay.

IPS: The GA High-level Committee on South-South Cooperation has called upon the UN to mainstream South-South cooperation as a crosscutting issue at the heart of the development agenda and within its regular programmes. How is Qatar helping with this process?

Al-Nasser: Qatar has proved, throughout its membership in the United Nations, to be a serious member which discharges its obligations responsibly. It has unfailingly strived to live up to the ideals of the United Nations. As such, and as an active player in the international arena, it will spare no effort to help the United Nations to achieve its objectives in these areas.

African Centre For Climate Policy Studies

by Ramesh Jaura

NUSA DUA, Bali (IPS)

The Addis Ababa-based Economic Commission for Africa (ECA) has announced that it is setting up an African Centre for Climate Policy Studies in collaboration with the Intergovernmental Panel for Climate Change (IPCC) and the New Delhi-based organisation, The Energy Resources Institute (TERI). IPCC chairman Rajendra Pachauri and the IPCC team won the Nobel Prize this year.

The joint project made known at the recent Bali UN climate change conference by ECA executive secretary Abdoulie Jannah will help develop the capacities of African countries adversely affected by climate change but unable to cope with its impact because of high levels of poverty, reliance on rain-fed agriculture, and other climate-sensitive sectors such as fisheries, forest, and tourism.

The fourth assessment report of the IPCC has attested to the fact that while African countries are responsible for about 3.8 percent of the total greenhouse gas emissions, Africa is the most vulnerable continent and least able to adapt to the impact of climate change.

“Climate change will put millions of Africans at risk of water stress and hunger, and further threaten the livelihoods of those who reside in already degraded areas. That is why Africa requires and deserves special attention and consideration,” Jannah said, announcing the establishment of the African Centre for Climate Policy Studies.

It is feared that water stress and water conflicts will increase in Africa due to climate change, affecting the livelihoods of millions of people

on the continent.

According to the ECA, water levels have seriously decreased in major lakes such as Victoria and Rift Valley. Lake Chad lost 90 percent of its water between 1973 and 2002.

The UN is concerned that climate change would severely compromise agricultural production and food security by reducing yields from rain-fed agriculture by up to 50 percent in most African countries.

The reduced water flows to dams, and depleted biomass energy resources would also impede Africa’s industrial development.

The ECA-TERI initiative is expected to safeguard chances of achieving long-term sustainable growth and development by helping African countries devise workable adaptation measures, and mainstream climate risk management into their development strategies and plans.

The ECA would also assist in developing the capacity of African countries through the Climate Information for Development (Clim-Dev Africa) programme, which it is implementing in collaboration with the African Union and the African Development Bank.

Clim-Dev will help scale up the capacities of key institutions and stakeholders to improve climate-related data and observation, information services, policies and risk management practices in all climate-sensitive sectors, Jannah said.

The importance of the two initiatives also lies in the fact that climate change will negatively affect the efforts of African countries to achieve

the targets of the Millennium Development Goals (MDGs) and sustainable development.

At the ministerial negotiations in Bali, Nigeria spelt out Africa’s concerns in detail. As chair of the African Group, Nigeria’s environment minister Halima Tayo Alao said “13 years into the life of the Climate Change Convention... we are yet to see, in concrete terms, demonstrable progress in achieving the ultimate objective of the (climate change) Convention and the Kyoto Protocol.”

While there is much talk of capacity building to enable African countries cope with the impact of climate change, efforts so far have centred more on seminars and workshops than demonstrable pilot projects or use of local expertise to advance knowledge and capacity to execute projects, the Nigerian minister told IPS.

During the ministerial negotiations this week she pleaded for “putting in place performance indicators that will allow for tracking and measuring effectiveness of efforts towards development and transfer of technology.”

African countries are particularly keen to see the establishment of a technology development and transfer fund that guarantees funding for achieving deep cuts in greenhouse gas emissions.

African countries’ demands derive from the fact that the industrialised countries have obligations under the UN Framework Convention on Climate Change and the Kyoto Protocol to develop and transfer environmentally user-friendly technologies for mitigation and adaptation to climate change on the continent.

South Joins Hands to Reach Child MDGs

UNITED NATIONS (IPS) - The U.N. children’s agency UNICEF says that increased cooperation among developing countries is benefiting the lives of poor children around the world, particularly in the critical first months of life.

“What we have seen is a very exciting new South-South collaboration in some of the areas of child health, specifically in the last few years,” Peter Salama, UNICEF chief of health, told IPS. “One of the most exciting is actually around neonatal help.” “There’ve been [community-based] models that have been developed in India, for example,” he said. “Over the last couple of years, we’ve seen that a team from India is actually travelling, particularly in East and Southern Africa, to do capacity-building and training in similar community-based models to

reduce mortality in the first months of life.”

In its “Progress for Children” report, UNICEF highlighted several areas in which progress is being made, but also stressed the importance of more urgent action. “This [report] is new in terms of the large number of countries that this is applicable for. It’s relevant because it is data that has been taken mainly in 2006, which is roughly halfway through the period of the Millennium Development Goals from 2000 to 2015,” said Alan Court, UNICEF chief of programmes. “It gives a very good indication of how the world is doing and how different countries are doing in relation to those goals,” he said.

In 2000, the world’s countries and major development institutions agreed on eight goals, known as the MDGs, to ease severe poverty

and promote environmental conservation by a deadline of 2015.

To achieve the MDGs in the next eight years, U.N. Secretary-General Ban Ki-moon has stressed the growing importance of South-South cooperation. In his latest report on this trend, Ban noted that, “Recent years have witnessed impressive increases in South-South development assistance... The stage is set for the ushering in of a new and more participatory form of international cooperation for development.”

Reducing child mortality in the first five years of life is one of the major improvements highlighted in the UNICEF report. For the first time in modern history, the annual number of children younger than five who died worldwide fell below 10 million, to 9.7 million -- a reduc-

tion of 60 percent since 1960.

UNICEF also found evidence suggesting a decline of HIV prevalence in some sub-Saharan African countries. Court told IPS that international networking among experts and policymakers was one likely factor. "For instance, there was a forum a week ago in South-Africa looking specifically at mother-to-child transmission, in which there were delegates from many, many countries who shared information

on what works and what doesn't work. There are mechanisms for that sharing of information and for developing countries to learn from each other rather than necessarily programme jointly," he said.

Though almost two-thirds of all people with HIV/AIDS live in sub-Saharan Africa, Salama told IPS that the news is not all bad. "African countries themselves are really showing strong progress. One of them is Ethiopia, where in

the last few years the government has made a very ambitious plan to train 30,000 community health workers." "This model is attracting a lot of interest in southern Africa from surrounding governments because they see this as a potential way to really get around one of our major constraints in progress on the health-related Millennium Development Goals," i.e., cash-strapped public health systems and persistent misconceptions about how to prevent HIV/AIDS.

The Political and Economic Dimensions of South-South Cooperation

Interview with Francis Kornegay

JOHANNESBURG (IPS)

Representatives from developing countries frequently hold separate caucus meetings at international conferences and gatherings to discuss ways of improving South-South cooperation. These meetings are held together by the belief that the poorer countries, generally those of the South, receive the short end of the stick in international conventions and trade conditions, according to Francis Kornegay, senior researcher at the Centre for Policy Studies here.

Kornegay has served as a congressional staffer with members of the Congressional Black Caucus. He frequently contributes articles to South African newspapers and recently published a book titled 'Pax-Afroasiatic? Revisiting Bandung in a Changing World Order'.

IPS correspondent Steven Lang spoke to Kornegay about how the concept of South-South cooperation emerged:

Francis Kornegay: Its roots really go back to the 1950s with the Bandung Conference [which brought together 29 African and Asian countries and ultimately led to the establishment of the Non-Aligned Movement] at a time when the Cold War was getting underway between the U.S. and the Soviet Union. Many African and Asian countries were just coming into independence and were faced with being caught up in this bipolar power struggle, and therefore feeling a need for some kind of non-aligned flexibility vis-à-vis both camps.

The countries of the South have for a long time been preoccupied with jointly, rather than on their own, seeking to advance their positions in the international arena. So there has been quite a bit of continuity in this. Recently, it has taken on new forms with the developing countries coming together in the G20 to contest terms of the global trading order within the World Trade Organisation (WTO) Doha trade negotiations. Of course here, India, Brazil and South Africa have played a major role in attempting to mobilise other develop-

ing countries around these negotiations. That actually set the context within which the three countries came together in 2003 to form the India, Brazil, South Africa tri-lateral dialogue forum (IBSA).

IPS: To what extent is IBSA a political rather than a trade organisation?

Kornegay: I would say that it is basically a political platform, even though trade issues have tended to predominate because of the fact that we've been in prolonged, uncertain negotiations surrounding the WTO. But the real focus of IBSA is a political platform for the three countries to dialogue with one another in developing synergy in issues that are much broader than trade. They have to do with the need for transforming the institutional architecture of the international order -- here you are talking about not just trade, you are talking about United Nations Security Council reform, the need to restructure the Bretton Woods institutions (the World Bank and the IMF) and any number of other political issues that impact on global governance.

IPS: Will the fact that they produce similar products ultimately cap the ability of the three IBSA countries to develop further trade?

Kornegay: Possibly, if you look at South Africa's lengthy trade negotiation agenda -- it has been negotiating a trade agreement between the Southern African Customs Union (SACU) and MERCOSUR, the South American common market for quite some time and there does not seem to be an imminent conclusion to it. I don't think that necessarily puts a limit on the potential of the three countries to work together. And the reason I say this is because within the framework of IBSA there are more than 14 or 15 sectoral working groups, where you have trilateral cooperation on a whole range of issues from energy and the environment to education, transportation, defence -- you name it. There is a whole trilateral cooperation agenda -- so far there may not be speedy progress on the trade front -- but that does not mean by any stretch of the imagination that there will not be prog-

ress along other areas.

IPS: But what you are saying is that there is more substance coming out of the political dimension?

Kornegay: Yes, I would say so, but that cannot be separated totally from the economic dimension.

IPS: An institution like the G20, is that going to have any impact on South-South cooperation?

Kornegay: Well, I think it will. The G20, the IBSA and the New Asia Africa Strategic Partnership along with older initiatives such as the Non-Aligned Movement and the G77... these all have a role to play in moving things along the path of a more equitable order.

IPS: Would it be fair to say that the focus is moving away from the older movements such as the Non-Aligned Movement and moving towards the more focussed institutions like IBSA and G20, etc.?

Kornegay: I would say so. Recently that may be the case, but I do not think that groupings like NAM can be written off. I think that there are issues that are likely to come up that will continue to make these older generation blocs relevant. For example NAM -- though it has not been very visible -- has had a bearing on the whole issue of Iran and the nuclear question. It is quite possible that as time goes on, issues of nuclear weapons, non-proliferation and so forth will resonate in the Non-Aligned Movement as well as in IBSA and in other quarters.

I think that you will see an interplay between newer generation, South-South cooperation organisations like IBSA and older generation Non-Aligned Movement, G77 groupings on a number of fronts. Depending on the issue -- where issues are more economic and trade related you may see more of a focus on the G20, where you get into more of a security, political, geo-political focus you will be looking more at NAM.

FDI Among Developing Nations On The Rise

by Ernest Corea

Investment in the South by Asian countries increased from 23 per cent of overall foreign direct investment (FDI) in 1980 to 62 percent in 2005, a UN report (SSC/15/1) pointed out earlier this year. The growth of South-to-South FDI is a credible indication of how South-South cooperation has grown and diversified from its early days when it was often restricted to a discussion of concepts.

Today South-South cooperation lies at the heart of a range of activities and programs including advocacy, agriculture/natural resource management, investment, science and technology for development, and technical cooperation.

Mohamed H. A. Hassan, Executive Director of the Third World Academy of Sciences (TWAS), has pointed out that “scientific research and technological innovations... are largely controlled by industrialised countries in the North and are mostly directed to address the problems and needs of rich countries.” He has urged the South, therefore, to increase and improve cooperative efforts to “enhance its indigenous capacity to generate, manage and utilise science and technology that address its own basic needs.” The goals he advocated have not been fully met, but steps have been taken towards them.

India’s M. S. Swaminathan Research Foundation (MSSRF), whose founder is internationally recognized as an advocate of South-South cooperation, has been involved in an initiative to promote South-South capacity building activities specifically, in the area of ecotechnology and Information and Communication Technologies (ICT) for the past five years. Some 20-25 selected representatives from various grassroots agencies in Africa, South East Asia, South Asia and some Small Island States are invited annually to the foundation under this programme. They undertake a travelling workshop to field sites and communicate directly with the communities on various issues. By visiting various production units, they gain a firsthand experi-

ence/understanding of how rural communities use specific technologies (e.g., production of biofertiliser, manufacturing paper from banana waste, integrated farming etc.). They also share their own experiences. They are at the same time exposed to the functional aspects of Village Knowledge Centres (agro advisories provided by specialists, local weather forecasts, etc.) promoted by the foundation. The substance of these workshops/dialogues is well documented. Records are maintained, moreover, of how participants adapt their newfound knowledge to local conditions when they return home. In Malaysia, an internationally supported centre for South-South cooperation in science, technology and innovation is expected to develop a South-South network of national research institutions specialising in science and technology. This programme will promote research collaboration, technology transfer and the development of cooperative efforts in fields such as information technology, biotechnology and nanotechnology. It is also expected to provide fellowships and internships which will give researchers and research managers opportunities to develop their skills in a sometimes neglected area – policy making and policy-oriented research.

Meanwhile, cooperation in science and technology between African and South American states is growing. Cooperating under the “umbrella” of science and technology, they are developing specific programmes in thematic areas such as agriculture and agribusiness, water resources and the environment, energy, natural resources, education, and information and communication technology. They will undertake joint research projects, fellowships for hands-on experience, and workshops that will lay the groundwork for exchanges of scientists. This initiative is a joint effort of the African Union and the South American Community of Nations (SACN) and the African Union, which will meet in 2009 to assess progress made.

In another promising move, the Food and Agriculture Organisation’s (FAO) Special Programme for Food Security in South-South Cooperation (SSC) promotes collaboration between developing countries through the exchange of successful technologies and technical experts. Some 40 agreements have been signed under this programme, enabling more than 1,400 experts and technicians to work in a major South-South cooperation programme. An interesting example is a project under which Egypt offers expertise in irrigated agriculture to Tanzania, where much of the land under cultivation is rain-fed, leaving farmers at the mercy of weather patterns and conditions.

The “Challenge Programmes” sponsored by the Consultative Group on International Agricultural Research (CGIAR) provide opportunities for South-South cooperation on research into major agricultural and natural resources management. The Sub-Saharan Africa Challenge Programme (SSA-CP), for instance, aims to demonstrate the potential of integrated agricultural research for development to overcome the complex constraints that affect African agriculture. The SSA-CP, according to a CGIAR statement, will combine many elements such as the connections among productivity enhancement, sustainable natural resource management, efficient markets, and policies and institutions; tapping the skills and experience of Southern states taking a watershed or agroecosystems approach; and working through innovation.

These are all positive developments but many more challenges lie ahead. They include the North-South-knowledge gap which Egypt’s Ismail Serageldin calls “knowledge apartheid,” the danger to farm livelihoods in the South from a possible pandemic of avian flu, the need to ensure that biofuels are not developed at the expense of food crops and, overall, the worsening impacts of climate change.

Ernest Corea served as Sri Lanka’s envoy to Canada, Cuba, Mexico, and the U.S.; as a member of Sri Lanka’s delegations to the United Nations; and to the Non-Aligned Summit meeting in Havana. Corea has also served as senior consultant to Consultative Group on International Agricultural Research (CGIAR) at the World Bank. His publications include “North South: Beyond Dialogue” and “Non Alignment: The Dynamics of a Movement.”