



**Executive Board of the
United Nations Development
Programme and of the
United Nations Population Fund**

Distr.: General
21 March 2006

Original: English

Annual session 2006

12 to 23 June 2006, Geneva

Item 10 of the provisional agenda

South-South cooperation

**Report on the implementation of the third
cooperation framework for South-South
cooperation (2005-2007)**

Report of the Administrator

Summary

The present report contains an assessment of the progress made by the Special Unit for South-South Cooperation in the implementation of the third cooperation framework for South-South cooperation (2005-2007).

Elements of a decision

The Executive Board may wish to:

- (a) Take note of the report and encourage further efforts to mainstream South-South cooperation in the multi-year funding framework of the United Nations Development Programme through the common country assessment and the guidelines on the United Nations Development Assistance Framework, with a view to meeting the Millennium Development Goals; and
- (b) Encourage all countries in a position to do so to contribute to the United Nations Fund for South-South Cooperation (formerly called the Voluntary Trust Fund for the Promotion of South-South Cooperation), which is now included in the United Nations Pledging Conference for Development Activities.

Contents

<i>Chapter</i>	<i>Page</i>
I. Introduction	3
II. Programme objectives and areas of intervention	3
III. Specific achievements	4
A. Platform one: policy development, research, dialogue and mainstreaming	4
B. Platform two: creation of an enabling environment and mechanisms for expanded South-South business cooperation and technology exchanges for poverty reduction	9
C. Platform three: fostering the sharing of Southern development knowledge and solutions . .	13
D. Other emerging priorities: disaster risk management and recovery	14
IV. Resources	17
V. Conclusion	19

I. Introduction

1. Central to the formulation of the third cooperation framework for South-South cooperation (2005-2007) was the concern arising from the uneven pace of progress towards the achievement of the Millennium Development Goals (MDGs) in the South. As some countries made tremendous strides forward in human development due in part to their careful opening to the forces of globalization, the pressing issue was how to assist others that witnessed disappointing steps backwards, particularly the least developed countries (LDCs). Despite the changing geography of trade and economics that clearly recognizes ascendant gains on the part of major economies in the South, equally recognizable and troubling to the international community was the significant number of developing countries that have been unable to parlay their comparative advantage into tangible development benefits.

2. As part of the solution to this imbalance, the third cooperation framework has focused the work of the Special Unit for South-South Cooperation on the unfolding development paradigm, with tremendous opportunities for concrete results for countries willing and able to collaborate in pooling resources, sharing experiences and learning from peers on a South-South basis.

3. One promising aspect of this change in development fundamentals is that of economics, marked by double-digit growth in South-South trade averaging 11 per cent over the past decade; gross domestic product growth rates in some regions of the South that outstrip the growth rates of developed countries; and the rise of Southern multinationals, both in number and as leaders in some dimensions of the world economy.

4. Another example of a change in development fundamentals that influences the implementation of the third cooperation framework is the availability of a wide range of proven development policy frameworks, world-class institutions and human and technological capacities that could be readily mobilized to help unlock a more dynamic form of South-South cooperation. This change in fundamentals is also reflected in the fact that many countries in the South have become leaders in such fields as information and communication technology and manufacturing capacity.

5. Finally the implementation of the third cooperation framework is influenced by the increased complexity of economic alliances and partnerships between and among States, civil-society organizations and the private sector.

6. These paradigm shifts point to a new development landscape, with increased Southern capacity providing a new window of opportunity for countries to work collectively by sharing expertise, forming public-private partnerships and pooling resources towards meeting the MDGs throughout the South.

II. Programme objectives and areas of intervention

7. The third cooperation framework for South-South cooperation (2005-2007) responds to these emerging trends and changing fundamentals. To that end, the objectives pursued by the Special Unit for South-South Cooperation in the course of implementing this programme are to:

- (a) Support developing countries in addressing issues of common concern among themselves and in multilateral settings so as to accelerate development through South-South approaches to development;
 - (b) Place greater emphasis on establishing or strengthening self-sustaining mechanisms and platforms rather than supporting ad hoc forums and conferences; and
 - (c) Transform the Special Unit into a South-South knowledge management centre, complementing and linking with global knowledge systems of the UNDP as well as those of other United Nations organizations, developing countries and donor organizations.
8. Three policy and operational support platforms form the main building-blocks of the new framework. These are:
- (a) A platform to support policy dialogue and follow-up to major intergovernmental conferences, with particular emphasis on mainstreaming South-South cooperation as a driver of development effectiveness;
 - (b) A platform to help to create an enabling environment and public-private partnership mechanisms for sustained intra-South business collaboration and technology exchanges; and
 - (c) A platform to support a more robust information system for managing and sharing development knowledge throughout the South.

III. Specific achievements

9. This section elaborates on what has been achieved through activities aimed at fostering policy dialogue, public-private partnerships for private-sector development, and efforts to transform the Special Unit for South-South Cooperation into a knowledge management centre for South-South cooperation. Since the present report highlights the results achieved at the mid-point in the implementation of the third cooperation framework, it should be noted that many of the initiatives presented below are works in progress that have focused on building broad-based, inclusive partnerships; forging public-private arrangements; and developing self-sustaining mechanisms. They are to be viewed as important building blocks that constitute the foundation of the three global South-South cooperation platforms contained in the current framework. These platforms will ultimately enable the Special Unit and its partners to provide concrete common services to a wide range of clients in the South in efforts to meet the MDGs.

A. Platform one: policy development, research, dialogue and mainstreaming

Policy development

10. In organizing the fourteenth session of the High-level Committee on South-South Cooperation, which was held from 30 May to 3 June 2005, the Special Unit for South-South Cooperation, in collaboration with taskforce leaders on the Millennium Project of the Secretary-General, dedicated a segment of the Committee meeting to highlighting the value and role of South-South cooperation in efforts to meet the MDGs. Expert views on South-South cooperation in reducing poverty, combating HIV/AIDS, improving access to water and sanitation, improving the lives

of slum dwellers and fostering South-South technology transfers were discussed and subsequently published in the 2005 edition of the journal *Cooperation South*. The journal is distributed among all developing countries in hard-copy form and is available online at <http://www.undp.org/ssc>.

11. As the financial resources remitted by émigré populations to their countries of origin are recognized to exceed other flows of foreign investment to many developing countries, the Special Unit has sought to explore policy options for channelling more remittances towards development objectives. In October 2005, it co-hosted a round-table meeting exploring the potential role of remittances in achieving the MDGs as part of a strategy-setting initiative within UNDP. That meeting resulted in the formulation of significant partnerships with the Asian Development Bank (AsDB), the Earth Institute at Columbia University, the Inter-American Development Bank (IDB), the United Nations Capital Development Fund, the United Nations Children's Fund (UNICEF) and the World Bank. These partnerships are aimed at examining measures for increasing the contribution of remittances to development.

12. Earlier, in September 2005, the Special Unit, in partnership with AsDB and the Government of the Philippines, had co-sponsored a conference in the Philippines with AsDB and the IDB Multilateral Investment Fund on "Remittances and Poverty Reduction: Learning from Regional Experiences and Perspectives".

13. At that two-day conference, participants from Latin America shared with counterparts from East Asia best practices on data-gathering and policy options for lowering the cost of remittances between South America and Southeast Asia. In addition, participants from Southeast Asia shared best practices in the training and treatment of overseas workers by the government in the labour-sending countries. Other conference highlights included technological best practices from the Philippines, such as 'G-Cash' from Globe Telecom, which is used to send remittances over mobile phones, and best practices from the Americas on the link between remittances and microfinance. The Special Unit for South-South Cooperation also co-sponsored a study in partnership with UNICEF on the social (non-financial) effects of remittances and migration.

14. In further efforts to examine policy options to advance South-South cooperation, the Special Unit has invited a number of United Nations specialized organizations and agencies to research South-South aspects of their work, with a view to compiling a "South Report", as called for by the first and second South Summits.¹

15. Collaboration with FORO International, a Southern think-tank based in Peru, has resulted in a concept paper that provides the roadmap for future South-South cooperation in the broader context of global international relations. The paper informs deliberations under way on the revision of the New Directions Strategy for Technical Cooperation among Developing Countries requested by the fourteenth session of the High-level Committee on South-South Cooperation in 2005.² Similar research undertaken by the Special Unit informs discussions among members of the Bureau of the High-level Committee on the future role and structure of the Committee.

¹ Havana Programme of Action, *Official Records of the General Assembly, Fifty-fifth Session (A/55/74)*, and the Doha Plan of Action (G-77/SS/2005/2), para. 84.

² Report of the High-level Committee on South-South Cooperation (A/60/39), decision 14/1, item 13.

Support to policy dialogue

16. Responding to the need for developing countries to negotiate effective South-South approaches to development, the Special Unit for South-South Cooperation has had a number of positive results from the financial and other forms of support that it has provided to meetings of the Group of 77 (G-77) and of the LDCs, landlocked developing countries (LLDCs) and small island developing States (SIDS) in order to advance South-South policy dialogue.

17. Support to the G-77 in convening the Second South Summit contributed to two actions by the G-77: the elaboration of a new South-South plan of action and the establishment of the South Fund for Development and Humanitarian Assistance. Qatar has pledged \$20 million to the Fund, with India and China each pledging \$2 million. The Special Unit also provided support to the convening of the meeting of the G-77 Panel of Experts in Kingston, Jamaica, from 29 to 30 August 2005, in order to highlight development priorities for the South and advise the G-77 ministers involved in negotiations during the sixtieth session of the General Assembly. Additionally, the Special Unit supported a meeting in Paraguay for the trade ministers of the LDCs as they prepared for negotiations at the World Trade Organization conference in Hong Kong in December 2005.

18. As a follow-up to the international meeting to review the implementation of the Programme of Action for the Sustainable Development of Small Island Developing States held in Port Louis, Mauritius, in January 2005, the Special Unit supported a meeting convened by the SIDS University Consortium that was held in Kingston, Jamaica, from 29 to 31 August 2005. The constitution governing the University Consortium, memoranda of understanding between member universities and a programme of work for 2005 were among the outcomes of the meeting.

19. In February 2006, the Special Unit for South-South Cooperation co-sponsored the Ministerial Conference of Least Developed Countries on the Development Impact of Remittances. The Conference, held in Cotonou, Benin, involved the International Organization for Migration and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS). After discussing such issues as the provision of formal remittance services, the lowering of high remittance transfer fees, access to secure financial services and policy options for enhancing the impact of remittances on development, the Ministerial Conference issued a Ministerial Declaration in which both recipients of migrants and their countries of origin are urged to create a more supportive environment for migrants that includes safe, cost-effective mechanisms for the transfer of remittances.

20. In order to achieve these objectives, the Ministers and Heads of delegations of the LDCs requested that the International Organization for Migration and other relevant organizations create an international migrant remittances observatory (IMRO) for LDCs. The IMRO would become the centre for efforts to document and disseminate information on remittance flows, best practices and related issues while searching for ways to improve remittance services and enhance the development impact of remittances.

Research

21. As South-South relations increasingly involve various actors in government, civil society and the private sector, the resulting complexity of issues has required the Special Unit for South-South Cooperation to strengthen its work in research and

analysis. Consequently, studies have been commissioned to examine intra-Africa South-South cooperation and intra-Asia South-South cooperation.

22. The studies, to be published later this year, have shed light on the nature and scope of South-South activities resulting from the implementation of various regional treaties in Africa and Asia. They also explain in greater depth the South-South initiatives supported mostly by international organizations in addressing challenges faced by groups of countries. The third category of initiatives elucidated by the studies is that of private-sector-driven programmes seen mostly in Asian “growth triangles”. On the basis of these studies and those as yet to be conducted in other regions, the Special Unit aims to provide resource materials on institutional arrangements and opportunities to enhance South-South interaction in government, civil society and the private sector in efforts to meet the MDGs.

Mainstreaming South-South cooperation

23. Within the past year, the South-South and triangular cooperation agendas have moved to the centre of development discourse. The 2005 World Summit recognized and underscored the effectiveness of such cooperation in development and encouraged its promotion. At the Second South Summit, developing countries not only pledged to intensify efforts for South-South cooperation but went on to create the South Fund for Development and Humanitarian Assistance to fund these efforts.

24. True to its partnership objectives, the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD/DAC) has collaborated with the Special Unit for South-South Cooperation to forge closer cooperation with developing countries that provide development assistance to other nations in the South. The Group of Eight Summit at Gleneagles in Scotland also underscored the importance of South-South cooperation as it urged international support for the New Partnership for Africa’s Development. This recognition by world leaders indicates progress in the long-term efforts made by the Special Unit and UNDP to mainstream the concept of South-South cooperation as an important contributor to the shaping of a more inclusive form of globalization.

25. In response to the need for a stronger, broader network of South-South focal points that includes the private sector and civil society, as reiterated by the High-level Committee during its fourteenth session in 2005,³ the Special Unit has initiated the revitalization and expansion of the South-South focal point network, beginning with the 15 member countries of the Economic Community of West African States (ECOWAS).

26. February 2006 saw the Special Unit host an orientation workshop for national consultants in the ECOWAS region who were hired to scout each member country for appropriate focal-point contacts in both the public and private sectors as well as among civil society. After conducting the survey, the identified contacts, mostly umbrella organizations, were invited to the Ghana Institute of Management and Public Administration in Accra, Ghana, for the initial stage in creating a multi-partner focal point network to promote cooperative arrangements and partnerships across borders in the ECOWAS region. Through the same process, an East Africa South-South network consisting of government focal points and key umbrella organizations in the subregion is also being created. The ECOWAS South-South

³ Report of the High-level Committee on South-South Cooperation (A/60/39), para. 9.

focal point network, which anchors South-South cooperation in subregional and regional groupings as described by the UNDP Executive Board, marks the first phase in a strategy to revitalize and expand the focal point system all across the South.

27. The efforts of the Special Unit to mainstream South-South cooperation in UNDP have included regular training events involving groups of junior professionals from UNDP country offices around the world as part of the learning events organized by the Learning Resource Centre in the Bureau of Management. The Special Unit has also sought to integrate evaluative questions on the application of South-South cooperation into the online questionnaire used by UNDP in reporting on the implementation of its multi-year-funding framework. In addition, it is working to highlight where South-South cooperation fits into the guidelines on the United Nations Development Assistance Framework, the common country assessment and the United Nations Development Group action plan on the implementation of the Millennium Declaration and Development Goals, 2006-2008. It is envisaged that through these programming, evaluation and reporting instruments, South-South cooperation will be better integrated into national and regional development strategies.

28. Beyond the incorporation of South-South cooperation into guidelines and programming instruments, the Special Unit has also dispatched one staff member to the UNDP Regional Centre in Bangkok and another to the UNDP Regional Centre in Johannesburg in order to further disseminate the ideas and strategies of South-South cooperation in UNDP.

29. In efforts to foster widespread awareness of the value of South-South approaches to development, the Special Unit planned and hosted the second annual United Nations Day for South-South Cooperation at Headquarters on 19 December 2005. The event highlighted the theme of “Celebrating the Global South: Diversity and Creativity” with a colorful ceremony featuring music, dance and art by a number of artists from the South. The ceremony also featured presentations honouring countries that had contributed funds towards relief in tsunami-affected countries in Asia through the Voluntary Trust Fund for the Promotion of South-South Cooperation (subsequently renamed the United Nations Fund for South-South Cooperation). The theme of the event offered the Special Unit the opportunity to promote creative industries as an innovative driver for development.

30. Collaboration with OECD/DAC and the World Bank has led to the preparation of a questionnaire for use in collecting data on South-South flows of development assistance among the countries of the South. The findings will contribute to the reports of the Secretary-General on the state of South-South cooperation, the World Bank Financial Reports and other publications.

31. In sum, through the activities described in this section, the Special Unit has made strides towards mainstreaming South-South cooperation throughout the United Nations system by involving United Nations agencies in strategic initiatives, such as the remittance programme, which brought together AsDB, IDB and the World Bank to explore better ways of channelling remittances towards development causes. Similarly, in regard to creative industries, the Special Unit has engaged the United Nations Conference on Trade and Development (UNCTAD) in addition to private-sector and civil-society partners to strategize on ways to use the creative and cultural assets in the South for development.

32. The overarching objective in the next phase of implementing the third cooperation framework is to harmonize all activities relating to policy development, dialogue, research and mainstreaming under a single institutional platform to be known as the Global South-South Development Forum.

B. Platform two: creation of an enabling environment and mechanisms for expanded South-South business cooperation and technology exchanges for poverty reduction

Creating an environment conducive to South-South entrepreneurship development, private-sector cooperation and technology exchanges for poverty reduction

33. The Special Unit for South-South Cooperation has created a number of institutional mechanisms in order to respond to the observation in recent Reports of the Secretary-General on the state of South-South cooperation that many South-South action plans are not adequately implemented. The new mechanisms reinforce the catalytic role of the Special Unit in pooling institutional capacities and in bringing together various partners to concertedly implement agreed development goals on a South-South and a triangular basis.

34. In response to the emphasis placed on South-South cooperation in science and technology at the G-77 conference on the subject that was held in Dubai in 2002, the Special Unit has initiated the establishment of the Global Science Corps (GSC) in Africa in partnership with the Science Initiative Group of the Institute for Advanced Studies in Princeton, New Jersey. GSC is a mechanism designed to strengthen the institutional capacity necessary for the development of innovation systems that spur private-sector-driven development. It will place scientists and engineers from scientifically advanced countries in research institutions in developing countries for one-year terms to engage in collaborative research and training.

35. At a Nairobi, Kenya, workshop organized by the Science Initiative Group and the African Academy of Sciences, participating scientists worked out arrangements to develop two focused components of GSC: a South-South Science Corps where GSC fellows from developing countries would be placed in other developing countries, and a Diaspora Science Corps, where African émigrés would be placed in their home countries or elsewhere in Africa. An assessment of the demand for GSC in Africa that was carried out by African scientists and their partners indicated that the response among scientists was overwhelmingly positive and provided guidance on practical steps for implementation.

36. In partnership with the Science, Technology and Globalization Project of the Belfer Center for Science and International Affairs at the John F. Kennedy School of Government at Harvard University, the Special Unit for South-South Cooperation has negotiated the creation of a South-South science, technology and innovation mechanism that will make it possible for research and training currently conducted at Harvard on the development role of science, technology and innovation to be offered in select locations in the South. It is envisaged that this initiative will result in the development of science-and-technology-driven development strategies at subregional and regional levels in the South. Initially, the mechanism, to be piloted in Jamaica for the benefit of the Caribbean Community, will be replicated in East and West Africa and, eventually, in other regions in the South. This is the second leg of the strategy aimed at influencing the policy environment to include the application of science and technology in national and regional development strategies of the South.

37. Strategies to spur interregional exchanges of knowledge and experiences in the South have been central to the approach of the Special Unit with respect to the development of South-South private enterprise. This approach has aimed at encouraging policy and institutional reforms in order to create an environment conducive to trade and investment by small and medium-sized enterprises (SMEs).

38. Initially, in 2004, the Special Unit, through a contribution from the Government of Japan, supported the creation of TECHNUNET AFRICA, an SME network designed to harness the experience gained over 30 years by a similar Asian network, TECHNUNET ASIA. By April 2005, TECHNUNET AFRICA had gained momentum and it facilitated a study tour for senior African policy-makers, including three ministers, two vice ministers and eleven members of TECHNUNET AFRICA. The purpose of the study tour was to enable African participants to learn about the need for a comprehensive policy and institutional framework as well as financial schemes to support SME development from their counterparts in three Asian countries: Malaysia, Thailand and Viet Nam.

39. This exposure has led to the preparations that are under way for the establishment or improvement of financial institutions to advance SME development in several countries of Africa. To this end, there are plans to convene, in 2006, consecutive workshops and symposia aimed at raising awareness and building consensus among policy-makers and international financial institutions on the need for lowering barriers to SME access to finance. As a first step, at a workshop organized by TECHNUNET AFRICA in Cameroon in January 2006, 50 senior government officials from seven African countries – Cameroon, Ghana, Mozambique, Nigeria, South Africa, Uganda and the United Republic of Tanzania – were trained by their Thai counterparts in how to start and manage SME banks.

40. In parallel with this initiative, more practical training in credit analysis and development financing in Africa is under preparation in Malaysia and Thailand with support from the Special Unit for South-South Cooperation and the Government of Japan. Through this programme, representatives from development financing institutions in nine African countries, including six members of TECHNUNET AFRICA, are to be trained in the role of financial institutions in SME development and in the skills of credit evaluation and appraisal.

Facilitating business-to-business linkages and intra-South technology exchange mechanisms

41. Following the achievements in the development and dissemination of New Rice for Africa (NERICA) in previous years, the Special Unit for South-South Cooperation is continuing its support to the Africa Rice Centre (WARDA) in coping with the deficit in the food supply in Africa. The new phase of support is aimed at increasing seed varieties and expanding their dissemination to lowlands in West, Central and East Africa.

42. Under the African Rice Initiative (ARI), which was initiated in 2002, the Special Unit is supporting the production of seeds as well as the monitoring and evaluation of the dissemination of NERICA varieties in selected countries in West Africa. Through periodic monitoring and evaluation, not only the diffusion rate of new seed varieties but also the impact of NERICA on the livelihood of farmers will be assessed. Evidence in a country such as Guinea has already demonstrated that the introduction of NERICA has contributed to the enhancement of farmers' nutritional status, the generation of income by farmers, and the empowerment of women, who

are the main rice growers. The results of impact assessments will be provided to policy-makers in West Africa and to donors in order to define future policy directions.

43. These initiatives are supported by partner organizations of WARDA in other parts of the world as well as by many donors. Japan is one of the most active supporters in terms of its financial contribution through the Special Unit as well as through technical support directed to WARDA.

44. The Special Unit for South-South Cooperation has provided support towards South-South technology transfers, seeking to respond to the needs of poor fish farmers in Africa through a partnership with the WorldFish Center in Malaysia, which has developed a successful technology for selective breeding of tropical fish. Through a programme initiated in 2003 with funding from the Government of Japan, experiments are under way on technology for the genetic improvement of farmed tilapia (GIFT) in Côte d'Ivoire, Egypt, Ghana and Malawi involving the selection of superior fish species. Preliminary findings regarding tilapia show more rapidly growing, larger and more nutritious fish that offer greater benefits for fish farmers. Alongside improved fish breeds, the programme has resulted in the production of a practical training manual that serves as a reference facilitating the wide dissemination of the GIFT technology in Africa.

45. A number of food production programmes and agro-industries are significant beneficiaries of South-South technology exchanges and contribute towards poverty reduction. In order to enhance this capacity for poverty reduction, the Special Unit, along with the Government of Japan and local non-governmental organizations (NGOs) in India, Indonesia and the Philippines, has supported experiments in sustainable agriculture through organic farming initiatives. Two African researchers and extension workers have shared organic farming technology aimed at the alleviation of poor soil conditions and problems of soil erosion in three Asian countries (India, Indonesia and the Philippines).

46. Together with the UNDP Regional Bureau for Asia and the Pacific, the South-South Regional Unit-Bangkok (SRU-B), located in the UNDP Regional Centre in Bangkok, identified the fruit drying industry in Afghanistan as one of the major potential areas for expanding Afghan exports and for income-generation by small producers and sellers. As Malaysian experts have collaborated with the UNDP country office in Afghanistan and the Government of Afghanistan to rebuild this industry, SRU-B financed an investment meeting in Malaysia in March 2006.

47. As technologies that are more affordable for the poor become increasingly available in the South, the Special Unit for South-South Cooperation is initiating a global assets and technology exchange platform to facilitate sustainable South-South technology transfer. Partners in the initiative have been identified and a symposium was convened in May 2006 in Shanghai to strategize the eventual launch of the programme.

48. Because of increasing recognition worldwide of creativity as a source of wealth and employment generation, a significant factor in poverty reduction and a means of diversifying Southern exports, the Special Unit for South-South Cooperation, in cooperation with the Shanghai Creative Industries Association, organized the Global South-South Creative Economy Symposium in Shanghai, China, from 15 to 16 December 2005. Together with the United Nations Under-Secretary-General and High Representative for the Least Developed Countries,

Landlocked Developing Countries and Small Island Developing States, the Chairman of the G-77 and representatives from UNCTAD and UNESCO, 20 experts from countries as diverse as Jamaica and Pakistan from the South as well as Canada and Japan from the North discussed the promotion of “creative industries”. These industries range from music recordings, cinema and television to fabric design, fashion and software.

49. The Symposium supported the efforts of the Special Unit to foster public-private initiatives for developing Southern creative economies, particularly in Africa. It also approved the prospective launch of the International Centre on the Creative Economy in Bahia, Brazil, in 2006 to improve knowledge-sharing on trade flows in cultural products and services and other issues vital to spurring poverty reduction through the creative industries. In addition, Symposium participants welcomed efforts to organize a Global South Creative Industries Exposition, along with complementary regional fairs, as well as the joint action taken by UNCTAD and the Special Unit to launch their Partnership for Technical Assistance for Enhancing the Creative Economy in Developing Countries.

50. In order to help boost business-to-business linkages between Africa and Asia, the Special Unit for South-South Cooperation sponsored the participation of 18 African women entrepreneurs in the International Women Entrepreneurs Meet[ing] and Conference and the 25th annual India International Trade Fair in New Delhi, India, from 14 to 19 November 2005. Each participant was able to establish local contacts with suppliers of raw materials and/or manufacturers of equipment and machinery to enable the participants to either expand their businesses or improve their product quality and quantity. In addition, the participants were able to source these goods from India at substantially lower prices. The assessment by the Special Unit of the international trade fair held annually in Kampala, Uganda, established the need for South-South cooperation to increase the flow of productive technologies from middle-income technology producers to less developed countries where they are much needed but scarce.

Promotion of networking among SMEs in Africa, the Arab States, Latin America and the Caribbean, and the countries of the Commonwealth of Independent States

51. In November 2005, the Special Unit for South-South Cooperation sponsored a planning workshop for the development of TECHNUNET LATIN AMERICA with the participation of representatives from SME-promoting public- and private-sector institutions in ten countries. This is the first step in the creation of TECHNUNET LATIN AMERICA, which will also be linked to TECHNUNET ASIA and TECHNUNET AFRICA. The ultimate goal is to establish a global TECHNUNET that supports the creation and development of SMEs across the South.

52. Preparatory assistance has begun for the development of integrated water resources management (IWRM) plans in the Arab States region in conjunction with the Global Environment Facility. The Arab Water Council was created to accelerate the planning process in the region and to promote the IWRM process. Thus far, approximately seven countries have formulated a national action plan on IWRM, and eleven more are expected to complete similar action plans.

53. Work is in progress to streamline activities under this platform by establishing a global publicly funded but market-oriented public-private partnership as an institutional mechanism to foster business-to-business linkages and technology transfers.

C. Platform three: fostering the sharing of Southern development knowledge and solutions

A global hub for networking with and among Southern centres of excellence (institutional linkages established for sharing and exchange of knowledge)

54. Efforts to measure progress in meeting the MDGs create a concurrent need for increased sophistication and capacity for statistical data-gathering and analysis in the South. In response to this need, the Special Unit for South-South Cooperation has collaborated with the Economic and Social Commission for Asia and the Pacific (ESCAP) and OECD on increasing the statistical capacity of developing countries in Asia for improved reporting on MDG achievements through the Partnership in Statistics for Development in the 21st Century (Paris 21) initiative. The first of three subregional workshops for this purpose was held in Sri Lanka in December 2005.

55. To further the discussion on how the South can best address the changes and complexity of its relations with the global economy, August 2005 saw the Special Unit co-sponsor a seminar on economic development and social equity with India, Brazil and South Africa (IBSA). This seminar brought together ministers and development practitioners from the three countries to share their experiences and expertise in such areas as microfinance, SMEs, biotechnology and gender.

A uniform roster system for Southern experts and expertise

56. In order to tap the increasing sophistication of the South in terms of its expertise and the rise of its centres of excellence and the resultant products, the Special Unit has re-engineered its Web of Information for Development (WIDE) Internet-based system in order to provide more and better services to various partners. A new roster system has been rolled out for use primarily by members of the United Nations system, responding to the need for experts across a wide range of areas. Plans are in place to further the use of this system across the South.

57. Over the past year in particular, WIDE has seen growth in the numbers of rosters created, their use by United Nations entities and the number of experts added to these rosters. Since January 2005, eleven rosters managed by various entities within UNDP and the United Nations Secretariat have been added to WIDE, with four more currently under development. The system contains information on 1,339 experts who have been vetted, with an additional 7,892 experts to be vetted. In the UNDP Regional Centre in Colombo, Sri Lanka, 16 users of the WIDE roster system were trained in December 2005, while in the UNDP Regional Centre in Bangkok, training has been scheduled for another 24 users.

58. With the provision of WIDE to the Subregional Resource Facility-Arab States (SURF-AS), the Special Unit was able to provide training in the WIDE roster system in four UNDP country offices in the Arab States region: Djibouti, Egypt, Saudi Arabia and Tunisia. Through the use of WIDE, SURF-AS was able to respond successfully to more than 170 referral requests for experts in 2005. Also in 2005, the UNDP Regional Centre in Bratislava responded to 104 referrals, the Regional Centre in Johannesburg to 30 referrals and the Regional Centre in Bangkok to 203 referrals. This growing usage of WIDE illustrates the increasing reliance on Southern expertise in development initiatives.

An interactive system for generating and disseminating best practices and proven development solutions

59. As more countries throughout the South are successful in applying various development strategies, there is a need for this information to be shared across the South. In order to foster and promote this sharing, the Special Unit has produced volumes 10 and 11 of the series *Sharing Innovative Experiences*, which is sent to over 4,000 recipients throughout the South. Volume 10 deals with the development of pharmaceutical products from medicinal plants, presenting 17 case studies from the South. Volume 11 focuses on the provision of safe drinking water, highlighting 21 examples from the developing world.

60. In addition, preparations are under way with a partner institution in Costa Rica for the series *Southern Development Solutions*. The first volume focuses on the successful experience of Costa Rica with respect to natural resource management.

61. In view of the above, the next step under this platform is to build a global Southern Development Gateway that will serve as an online resource with extensive information on Southern development solutions. The ultimate goal of the Special Unit is to facilitate South-to-South transactions or transfers of knowledge and the adaptation of Southern development solutions. The Special Unit aims to develop mechanisms through which these solutions will be developed and disseminated, interest in acquiring them will be expressed, and their actual transfer will take place among all interested partners, including through triangular arrangements.

D. Other emerging priorities: disaster risk management and recovery

62. When disasters occur, they are felt mostly at the community level, with the severest negative impact on the poorest, and they usually reverse years of developmental gains in a short period. In this regard, disasters, human-made and natural, pose a major threat to the attainment of the MDGs.

Asian tsunami response

63. In response to comments made by members of the Executive Board in the course of discussing the draft third cooperation framework, the Special Unit has promoted South-South initiatives for the prevention of, and recovery from, natural disasters. Following the Asian tsunami disaster in December 2004, the Special Unit made available to developing countries the United Nations Fund for South-South Cooperation, which it manages. It did so to facilitate contributions from Southern donor countries for the rehabilitation and reconstruction of affected countries in the region. The Fund has received \$3.51 million in contributions for this purpose. The Special Unit has allocated \$3.498 million in programmes to be implemented by the end of 2006 in India, Indonesia, the Maldives, Sri Lanka and Thailand.

64. Through the South-South Grants Facility, the Special Unit, in partnership with the Global Environment Facility, UNDP country offices in the Asia and the Pacific region, and the United Nations Office for Project Services, is channelling this funding through local NGOs and civil society for the promotion of livelihood rehabilitation, particularly among women in the affected areas. Funding is also being used to rebuild community infrastructure, such as schools and community spaces. A large number of partners are participating in the selection of proposals and the monitoring of activities. As of 31 December 2005, the South-South Grants

Facility was supporting 72 different grants benefiting the lives of more than 20,000 people throughout the affected region.

65. An example of support provided through the Facility is the project to rehabilitate and reorient women's livelihoods in the village of Senthilveedhi in southern India. This village, devastated by the tsunami, had been the beneficiary of a number of ecological interventions by the International Oceanic Institute. The first task of the current project supported by the Special Unit for South-South Cooperation is to restore the livelihoods of the women by rebuilding kilns used in the production of lime from seashells while providing an opportunity for retraining in alternative occupations. By the end of the project, the women are expected to continue their old and new occupations without any external support. The Children's Centre will also be restored and the educational, recreational and cultural activities of the children traumatized by the tsunami will be strengthened. Progress through January 2006 includes rebuilding of destroyed lime kilns, promotion of alternative occupations such as tailoring and food processing, the extension of microcredit, the construction of a production centre and a children's centre, and the setting up of a computer centre. Overall, the project aims at achieving long-term sustainability of the benefits derived from this initiative by this socially and economically disadvantaged group.

66. Through the sponsorship of SRU-B and the Bureau for Resources and Strategic Partnerships (BRSP) in UNDP, an initiative was launched wherein private-sector advisers in the UNDP Regional Centre in Bangkok plus the UNDP country offices in Indonesia and Sri Lanka have facilitated the formulation of a number of agreements with private-sector companies, including Coca-Cola, DHL, Mitsui-Sumitomo Insurance, Nike, Schlumberger, Stantec and Suntel. These agreements range in scope from providing cash contributions for tsunami and non-tsunami restoration and reconstruction efforts to the provision of in-kind goods and services such as materials and equipment, technical expertise and seconded personnel. Partnership initiatives and projects encompass infrastructure (e.g., water and sanitation), community surveys, assessments and audits, capacity-building for economic livelihoods, and training in disaster risk management.

67. These private-sector advisers are also helping UNDP country offices in tsunami-affected countries to develop private-sector programmes to ensure capacity and sustainability beyond the initial emergency period. A public-private partnership workshop was hosted by the UNDP Regional Centre in Bangkok in November 2005 to clarify the strategies and resources necessary to ensure the sustainability of these arrangements.

68. Following this meeting, the UNDP Regional Bureau for Asia and the Pacific (RBAP) created a network of private-sector focal points to share experiences in programming in partnership with the private sector. However, a formal agreement and an implementation plan to institutionalize the private-sector programme are needed across Bureaux (Bureau for Development Policy, BRSP and RBAP).

69. Additionally, SRU-B deployed about 22 consultants to disaster-stricken posts in Indonesia, the Maldives, Sri Lanka and Thailand as an integral part of the response team. Using Flash Appeal funds, these consultants designed projects on shelter rehabilitation, livelihood restoration, environmental impact assessment and strengthening the capacity of civil society to respond to the tsunami and help countries establish stronger disaster mitigation or risk management systems.

70. A sixty-five-page handbook, *Good Building Design and Construction*, was compiled for Indonesia. It was developed for use in training building monitors in UNDP and the United Nations Human Settlements Programme working in Aceh and Nias as well as to provide communities with a resource for evaluating the building structures being erected in their communities.

71. In Sri Lanka, SRU-B resources helped the Government to set up a Disaster Management Centre involving the private sector, government and civil-society representatives and drawing from experiences in India and other countries in the region for the design.

72. In the Maldives, the team of nine consultants deployed by SRU-B to the UNDP country office enabled the completion of damage surveys on 45 islands and the repair of 1,015 houses out of a target of 2,805. Of the 1,015 houses, 796 are more than 50 per cent complete in a restoration process that is community-led. In addition, SRU-B facilitated a workshop on formulating a common framework for recovery and reconstruction in cooperation with the UNDP country office in Sri Lanka and AsDB.

Disaster management

73. A consultative meeting between the Special Unit and ESCAP held on the sidelines of the fourteenth session of the High-level Committee on South-South Cooperation in 2005 recommended joint work in disaster risk management. Consequently, SRU-B and ESCAP are working with a group of countries (Bangladesh, China, Indonesia, the Maldives, the Philippines, Sri Lanka and Thailand) to develop a database that will map their capacity, resources and needs. The aim is to strengthen cooperation among themselves before, during and after a disaster. Consultation is in progress with Fiji, India and the Islamic Republic of Iran to include them in the project, which is funded by the Government of Germany through ESCAP.

74. SRU-B has developed the Global Facility for Disaster Risk Management at the community level. The Facility will initially support regional and national initiatives and gradually evolve into a global facility. The objective of SRU-B with respect to this Facility is to help to strengthen communities' resilience against the impact of disasters in partnership with government, civil society and the private sector. This will be achieved through community training, development of user-friendly curricula, documentation and sharing of different country experiences, and the provision of limited grants for government units to strengthen their national, regional and community-level interventions in disaster risk management.

75. Under the Global Facility for Disaster Risk Management, two training events were undertaken in November and December 2005 by experts from the Philippines for 27 officials of the Government of Sri Lanka and 27 representatives from the private sector on how to strengthen their roles and enhance their partnership in disaster preparedness. The Facility is now supporting a capacity-building programme in the Maldives on disaster preparedness planning. It is also funding capacity-building activities on Mindoro Island, the Philippines, in hazard mapping and public awareness since this island is prone to tsunamis.

76. A curriculum on "Integrating Disaster Risk Management into Local Governance", drafted by a working group composed of various governmental and non-governmental organizations in the Philippines for use at the local level, is to be

published as a knowledge product under the Global Facility for Disaster Risk Management.

77. Curricula for training government officials in governance and disaster risk management are being developed with the Asian Disaster Preparedness Centre.

78. Partnership with ProVention, a consortium of, among others, organizations such as the International Federation of Red Cross and Red Crescent Societies, the International Strategy for Disaster Reduction and the World Bank, has started the organization of a network on research, training and education regarding disaster risk reduction, using the South-South modality.

79. Limited grants amounting to \$85,000 have been provided and earmarked to Indonesia, the Maldives and the Philippines to strengthen their disaster preparedness and response through training, documentation and publication.

IV. Resources

80. The total regular (core) resources allocated yearly to the Special Unit for South-South Cooperation amount to \$3.5 million. Taking into consideration the carryover from previous years, the total available resources for the period from 2005 to 2007 amounts to \$14.586 million. A total of \$4.695 million was disbursed during 2005, which is in line with the target of about one third of the allocation for the three-year period covered by the third cooperation framework. The remaining resources are fully programmed for implementation in the period from 2006 to 2007.

81. Other (non-core) resources mobilized for South-South cooperation in 2005 included \$700,000 from China through the United Nations Fund for South-South Cooperation. At the 2005 United Nations Pledging Conference, Nigeria pledged to contribute \$1 million to the Fund for 2006. Japan contributed \$1,768,585 as cost-sharing for programmes in 2005 and 2006, of which \$385,434 represented new funding while the balance was allocated in previous years. Contributions amounting to \$3,510,445 came from developing countries through the United Nations Fund for South-South Cooperation to support the tsunami-affected countries. The list of contributions to South-South tsunami recovery and reconstruction efforts is provided in the following table.

Contributions from developing countries to the tsunami-affected countries through the United Nations Fund for South-South Cooperation in 2005 (in dollars)

Donor	2005
Algeria	2,000,000
Benin	184,563
Brazil	214,978
China	1,000,000
Comoros	25,610
Egypt	2,333

Jamaica	3,200
Samoa	38,314
Trinidad and Tobago	30,883
Tuvalu	10,000
Venezuela (country office staff)	564
Total	3,510,445

82. On 26 May 2005, the Special Unit for South-South Cooperation was entrusted with the management of the IBSA Facility for Poverty and Hunger Alleviation. The Facility had been proposed during the fifty-eighth session of the General Assembly by the President of Brazil, Luis Inacio Lula da Silva. President Lula made the first contribution, in the amount of \$50,000, and helped to mobilize \$1.5 million in subsequent contributions, mainly from the private sector in Brazil. In addition, the two other IBSA countries, India and South Africa, each contributed \$100,000.

83. During the remaining months of 2005, the Government of Brazil made its 2005 agreed contribution of \$1 million, and additional contributions from the private sector increased the balance to a total of \$2,823,056. As of 31 December 2005, the Facility had disbursed \$146,136, and a new project in Haiti had been formulated and was in the process of being approved. South Africa made its 2006 contribution of \$1 million in January 2006. The Special Unit is examining new strategies for accelerating the formulation and implementation of projects to be proposed to the IBSA Board of Directors.

84. Management of the IBSA Facility builds on the previous experience of the Special Unit in its management of the Perez-Guerrero Trust Fund (PGTF) on behalf of the G-77. Over the past year alone, PGTF approved 11 additional projects, which are to receive PGTF financial support amounting to \$315,300; this is in addition to the 60 ongoing projects under PGTF.

**Summary of resources managed by the Special Unit for South-South
Cooperation as of 31 December 2005
(in thousands of dollars)**

Type of resource	2005-2007
Core resources	14,586
United Nations Fund for South-South Cooperation	1,700
Cost-sharing - Japan	1,768
Developing-country contributions for tsunami recovery and reconstruction	3,510
IBSA Facility for Poverty and Hunger Alleviation	2,823

Perez-Guerrero Trust Fund	315
Total	24,702

V. Conclusion

85. Despite the ambitious nature of the third cooperation framework for South-South cooperation (2005-2007), the Special Unit for South-South Cooperation has succeeded within the past eighteen months in preparing a solid foundation for the implementation of the framework. The efforts of the Special Unit in this first phase of implementation have concentrated on building and strengthening broad-based partnerships. The vast array of projects and activities undertaken since January 2005, as detailed in the present report, has often been accomplished in the context of broad partnerships and cooperative arrangements. These partnership arrangements with a range of organizations, including the International Organization for Migration, UNCTAD, UNESCO and the World Bank, have attracted inputs, funding and other resources that have allowed the most efficient leveraging of the human and financial resources of the Special Unit to great effect.

86. In particular, the present report has highlighted the efforts of the Special Unit to reach out to and involve the burgeoning private sector and civil society throughout the South. Through these relationships, it has sought to invite innovative ideas on how to broaden and strengthen South-South involvement in development. Examples of this focus can be seen in the innovative approach to the creation of a network of ECOWAS focal points and the broad partnership arrangements that have gone into the creation of the South-South Science Corps, the Diaspora Science Corps, the roster system and the various other initiatives described herein.

87. Of further note is the fact that the Special Unit has been very conscious of the distinction between long-term and short-term initiatives. While preparing for long-term results in the form of programmes such as the Global Asset and Technology Exchange and the Global Science Corps, it has also responded to the short-term needs of countries such as those that are victims of the Asian tsunami with grants and strategies designed to bring communities back into the global economy in short order.

88. A final point that should be noted is the involvement of the Special Unit in the encouragement of innovative financing solutions for South-South cooperation. This is evidenced by the increased contributions to the South-South Trust Fund over the past year as well as the management services offered by the Special Unit to trust funds established by other entities, such as the IBSA Facility for Poverty and Hunger Alleviation. This experience builds upon the long tenure of the Special Unit as manager of the G-77 Perez-Guerrero Trust Fund.