# UNCTAD Financing Brief for FFD4

# **South-South data to inform development support and financing debates**

## Summary (75 words)

## The momentum to measure South-South cooperation is growing rapidly, spurred by the endorsement of SDG indicator 17.3.1 and the voluntary ‘Framework to Measure South-South Cooperation’. Developed by the global South, the Framework aims to provide data on South-South cooperation to enable first-ever globally inclusive information on international development support by reflecting the realities of the global South. To unlock its full potential, significant support, technical training, harmonized tools, and targeted assistance, is needed for countries.

## Key messages (200 words)

* **South-South cooperation, alongside other international development support, is key to achieving the 2030 Agenda, but the only form of development cooperation lacking systematic data.** This hampers its strategic management and effective allocation of financing for development and in-kind flows to achieve sustainable development.
* **Momentum to measure South-South cooperation is rapidly building following the endorsement of SDG indicator 17.3.1** in March 2022 at the UN Statistical Commission, and its voluntary **‘**[***Conceptual Framework to Measure South-South Cooperation***](https://unstats.un.org/sdgs/files/meetings/working-group-on-measurement-of-development-support/WGMDS-14-1-Note-on-the-outcome-of-the-subgroup-on-SSC-final-after-WG.pdf)***’*** which can make the increasing contribution of South-South cooperation visible.
* **Developed by the South for the South, the new ’Framework’ can enable globally balanced, inclusive and representative information on development support** through reporting of South-South data to the SDG indicator alongside data on North-South flows which have existed for decades.
* **To realize this potential, developing economies need support to collect South-South data for national policy and SDGs,** and are requesting training, tools and guidance, sharing of experience, and information systems support.
* **The SDG indicator brings together all forms of development support, measured on country-defined terms, and can provide for the first time a comprehensive understanding of development finance.** UN Trade and Development (UNCTAD) and OECD, as indicator custodians, ensure interoperability of data from their different frameworks, through country-led efforts that reflect the respective unique cooperation modalities.

## Problem statement (500 words)

South-South cooperation is increasingly important for sustainable development, but **historically global development debates have leaned exclusively on data from developed countries and multilateral organizations**. Without reliable data on South-South cooperation, the picture of international development cooperation remains incomplete, and the powerful force to pool resources and share knowledge, skills and technologies lacks visibility. Examples are many, including Brazil and India’s collaboration on satellite technology to monitor deforestation and boost agriculture, and Colombia and African Union’s projects to empower women through aquaculture in Nigeria, Tanzania and South Africa.

The Addis Ababa Action Agenda ([A/69/313](https://undocs.org/A/RES/69/313)) approached **South-South cooperation as an important element of international cooperation** **for development as a complement, not a substitute, to North-South cooperation.** It welcomed the increased contributions of South-South cooperation to poverty eradication and sustainable development, encouraging its voluntary strengthening. It was embedded to the indicators of the 2030 Agenda ([A/70/1](https://undocs.org/A/RES/70/1)) since the start.

However, **data on South-South cooperation was never reported to SDG indicators** due to the lack of agreed measures. To address the gap, the UN Statistical Commission launched a working group to develop a new methodology for SDG indicator 17.3.1. This led to the development of a voluntary initial ‘Framework to Measure South-South Cooperation’, elaborated by a subgroup chaired by India and including Brazil, China, Colombia, Cuba, Egypt, Ghana, Mexico, South Africa, and Tanzania, with UN Trade and Development (UNCTAD) invitedas secretariat, and the Russian Federation and OECD as observers.

**In March 2022, the UN Statistical Commission adopted the new SDG indicator 17.3.1 and welcomed the first-ever ‘Framework to Measure South-South Cooperation’.** The Commission requested UNCTAD to be the SDG indicator custodian with OECD. UNCTAD was tasked to enable the reporting of South-South data through the ’Framework’, provide capacity support and refine the ‘Framework’ in a country-led effort. South-South data are to be reported to the SDG indicator in the future alongside data on North-South flows, which are already reported based on the total official support for sustainable development (TOSSD), hosted by OECD.

**The ’Framework’ has been welcomed as a breakthrough** as a country-led mechanism and shedding light on the importance of South-South cooperation for the 2030 Agenda by the **2023 Financing for Sustainable Development Report** and the General Assembly resolution [A/RES/78/167](https://undocs.org/Home/Mobile?FinalSymbol=A%2FRES%2F78%2F167&Language=E&DeviceType=Desktop&LangRequested=False). The Second Committee also requested strengthening capacity-building recommending UN development system support.

**Interest in measuring South-South cooperation is quickly increasing.** The first expert meeting in July 2023 in Brasilia brought together 16 member States, and in June 2024, 66 developing economies met in Doha. Three pioneering countries have reported South-South data in the ’Framework’ and ten are pilot testing it. Early data from pilot studies by four countries[[1]](#footnote-2) confirm in-kind support as essential to South-South cooperation, with technical cooperation, humanitarian assistance and scholarships reported most frequently, and targeting health (SDG 3), education (4), partnerships (17), peace and institutions (16) and zero hunger (2). UNCTAD is joined in a Development Account project[[2]](#footnote-3) by the UN Regional Commissions, UNDESA, and the UN Office for South-South Cooperation (UNOSSC), but more support is needed.

## Policy solutions (500 words)

South-South cooperation plays a unique role in mobilizing the mutual support of the global South for sustainable development, especially in areas not fully covered by traditional development support**. The ‘Framework of the South’ can foreground the realities and narratives of the global South,** aligned with the principles of the High-level UN Conferences held in Nairobi 2009 and Buenos Aires 2019 of sovereignty, ownership, equality, non-conditionality, non-interference, and mutual benefit. It quantifies support flows, not assessing effectiveness or impact, and using terms and data developed by the global South on their diverse cooperation modalities, including in-kind support.

**Developing economies are seeking assistance to collect and report South-South data**. In a survey carried out by UNCTAD,over 60member Statesrequested technical training, sharing of tools and experiences, methodological materials, information systems development, advisory support, and fora for exchange. In Doha, experts from nearly 70 member States[[3]](#footnote-4) asked for harmonized tools for data collection, analysis, and reporting, as well as mechanisms for global data reporting and development of national data systems.

The proposed policy solutions include:

* **Strengthen national ecosystems for South-South cooperation**[[4]](#footnote-5)**:** Recognize South-South cooperation's importance in achieving the 2030 Agenda, alongside other development support. Encourage countries to develop national strategies for South-South and triangular cooperation and establish a responsible agency to help governments clearly identify their priorities, gaps and development needs, and connect the relevant agencies to encourage coordinated action, including to pool data and expertise.
* **Aim at globally balanced information on development support:** Encourage efforts to achieve globally representative data measured using terms and frameworks agreed upon and developed by countries themselves for the purpose. The ‘Framework’ offers a unique opportunity as it was developed and endorsed by the global South to measure all modalities of South-South cooperation in a voluntary, country-led effort.
* **Scale up support to developing countries to include South-South data in SDGs**: Data is still lacking for most countries but critical for strategic management, mobilization and allocation of South-South cooperation flows to support the 2030 Agenda. By strengthening support and developing common tools for data systems, the ‘Framework’ has the potential to enable data owned by and reflecting the realities of the global South to inform development cooperation debates and enable the availability of data on all forms of development support to feed SDG indicator 17.3.1.
* **Establish an institutional arrangement to advance South-South metrics:** Developing economies need a space to develop, refine and agree upon common and voluntary statistical concepts, methodologies, tools, and technologies for measuring South-South cooperation that is fully country-led, in alignment with official statistics quality standards and with the UN support.

South-South cooperation is vital for sustainable development but requires better data for its strategic management. SDG indicator 17.3.1 offers a chance for balanced and globally representative information on development support measured using terms defined for each modality and brought together for the agreed indicator elements by the SDG indicator custodians UNCTAD and OECD.

## Specific recommendations for FFD4 (300 words)

We urge negotiators to heed the call from country experts in Doha, who stressed the role of the Financing for Development Forum in advocating for the significance of South-South Data collected using the ‘Framework’ developed and endorsed by the global South. This effort should promote a country-led, internationally supported approach that leverages common tools and technologies, thereby avoiding fragmented and duplicative methods. The following recommendations could be considered for the outcome document:

* **Recognize the potential of South-South Data** developed, collected and endorsed by the global South to inform governments about development finance more comprehensively including data on South-South cooperation. Highlight its role in establishing a balanced new SDG indicator 17.3.1, making South-South cooperation visible alongside other development support, including for its strategic allocation to support sustainable development.
* **Encourage the establishment of national South-South cooperation ecosystems,** including to strengthen institutional frameworks, strategic planning and collaboration, and to start collecting South-South data using the ’Framework’ benefitting from a common approach.
* **Reach methodological and technical support to all interested developing economies** to meet their demand for shared guidance and systems, harmonized toolkits, standard methods, and sustained infrastructure for comprehensive South-South data collection and reporting in the future.
* **Develop a platform** **for sharing of data and good practices** in South-South cooperation to foster the exchange of innovative practices and insights, and to ensure country-led development and refinement of statistical concepts, methodologies, and technologies, with UN support.

These recommendations are intended to enhance the capacity of developing economies to manage and leverage South-South cooperation for sustainable development effectively.

1. These preliminary data are from pilots by Brazil, Colombia, Ecuador and Mexico. [↑](#footnote-ref-2)
2. Project website: <https://unctad.org/project/quantifying-south-south-cooperation-mobilize-funds-sustainable-development-goals> [↑](#footnote-ref-3)
3. Doha expert meeting, main outcomes: <https://unctad.org/system/files/non-official-document/2020604_doha_ssc_expert-meeting_finalnote_en.pdf> [↑](#footnote-ref-4)
4. As recommended by the Islamic Development Bank: [Developing National Ecosystems for South-South and Triangular Cooperation to Achieve Agenda 2030 for Sustainable Development.pdf (isdb.org)](https://www.isdb.org/sites/default/files/media/documents/2022-02/Developing%20National%20Ecosystems%20for%20South-South%20and%20Triangular%20Cooperation%20to%20Achieve%20Agenda%202030%20for%20Sustainable%20Development.pdf) [↑](#footnote-ref-5)