

## India-Peru Cooperation: Sharing Knowledge on Liquid Petroleum Gas



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The principle of this project is to establish a basis that allows activities of cooperation, considering the principles of mutual interest, exchange of information, knowledge and technical support.

Globalisation as a socio-economic phenomenon refers to the strengthening of networks that foster interdependence among actors at the international, national and grassroots level. In the 21<sup>st</sup> century, this phenomenon is primarily associated with boosting interconnectivity through information and communication technology (ICT) that allows for sharing of knowledge and experiences all over the world. According to the International Monetary Fund (2000), trades and transactions, capital movements, investments, migration and spreading of knowledge, have made countries grow economically in last decades, improving the quality of life of millions of people. Despite this progress, globalisation has also resulted in an increase in inequalities, leaving behind people, as nations embark on their growth trajectory. Inequalities and discrimination continue to persist across a number of dimensions such as social class, gender, education, access to health, and distribution of power, which invariably has significant implications for economic growth and macroeconomic stability of a country (Rawls, 1999; Chakrabarti, 2018). It is in this vain that Agenda 2030 and the Sustainable Development Goals (SDGs) pledged to “leaving no one behind”. Knowledge sharing and exchange, while a positive outcome of the processes of globalisation and ICT revolution, needs to be made a key component in the processes of development aimed at achieving the 17 SDGs.

South-South Cooperation (SSC), which is partnerships among developing countries and their institutions and individuals, appears in this context as an way to reduce global inequalities through its role in capacity building, in-house training programmes, technology transfer, financial

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assistance through grants and lines of credits and humanitarian assistance. These modalities are in line with the principles of mutual benefit and belief in solidarity that is fundamental to SSC. Moreover, SSC aims to ensure capability building of the partner country, so that developing countries can take ownership of their own development trajectory, which can then be complemented by external assistance (Lopez, 2014). Thus, development depends on the access to resources and one's capability to add value through the use of such resources, and herein lies the importance of South-South Cooperation. The focus is on facilitating this 'access' through sharing of knowledge, best practices and technical know how to empower citizens while assisting countries to achieve their goals of economic growth and ensuring social justice.

At this point it is important to consider the concept of Development Compact (Chaturvedi, 2016) as a mechanism of engagement between Southern countries, which articulates the Indian approach to SSC through 'policy-coherent' modalities that are based on the demands of the partner country. The development compact illustrates the interconnected nature of modalities, wherein increasing capacity and access to resources is interlinked with knowledge exchange, financial (grants) support and even technology transfer. The modalities of the Compact is guided by the principles of mutual benefit, non-interference, collective growth opportunities, absence of conditionalities ( while presence of conditionalities are a main characteristic in North-South Cooperation), and putting special emphasis assessment of impact of cooperation (Chaturvedi, 2016).

A key modality under the development compact is the sharing of technology and knowledge, which is not new to South-South Cooperation, but has regained its fading fervor at bilateral and multilateral levels of engagements. Cooperation between the Republics of Peru and India has taken steps towards knowledge sharing in the energy sector, complementing their existing exchanges in goods and services. This paper reflects upon Peru and India's knowledge cooperation in liquid petroleum gas (LPG) as a best practice aimed to achieve the targets of SDGs. Firstly, the paper highlights the background for cooperation, following that the institutional framework is detailed. Secondly, a discussion on the various levels of knowledge sharing at the project management level has been provided.

## **Background**

The Republic of Peru, a country of 32.1 million people where approximately 6.9 million live in poverty ( given its poverty rate of 21.7 per cent), faces a key challenge where 26 per cent of households do not have access to clean energy to meet their basic needs. This further results in pushing people deeper into poverty, as these households have to rely on firewood and animal dung as an energy source, which becomes a threat to the health of the families impacting their quality of life. Moreover, the use of liquid petroleum gas is associated with middle to higher income households in Peru, given higher costs of LPG.

India, a country which once faced a similar challenge, over the last few years has taken major steps in this regard. Today, India is the second largest consumer of

liquid petroleum gas worldwide (PTI 2019), with a production of bottled liquid petroleum gas 20 times larger than that of Peru. India has also made strides in improving processes, equipment technology and inculcating a culture focused on user safety that consumes liquid petroleum gas in cylinders. India also implemented special programmes that benefit families in extreme poverty, and give them access to cleaner sources of energy.

Given this, the Supervisory Agency for Investment in Energy and Mining of the Republic of Peru was convinced that the exchange of information and experiences, regarding the safety and distribution of liquid petroleum gas, will be key to generate new strategies that allow expanding the energy frontier in the most vulnerable segments of Peru. Through the use of cleaner sources of energy such as LPG, natural gas and electricity, there will be a qualitative improvement in the life of individuals especially for the poorer segment of the society (Vasquez et al. 2017).

### **Institutional framework**

The governments of the Republic of India and the Republic of Peru in 2018 initiated a project named, *Strengthening knowledge in the safety and distribution of liquid petroleum gas between Peru and India*. The Ministry of Oil and Natural Gas of India and the Indian Oil Corporation Limited, and the Supervisory Agency for Investment in Energy and Mining of Peru with support by the Peruvian Agency for International Cooperation are the cooperating agencies. The aim of the project is to ensure an exchange of experience to contribute towards improving the safety in use of

liquid petroleum gas cylinder. In that sense, the project will strengthen cooperation, based on the exchange of information, knowledge and technical support. The specific target of this project is to increase the liquid petroleum gas penetration in the rural areas of Peru, where it is not technically and economically possible to bring natural gas, by putting in place necessary infrastructure for cylinder park, replacement of old cylinders to meet the demand for liquid petroleum gas and also to assure the provision of safety facilities. In line with the principles of South-South Cooperation, this project seeks to build a solidarity based partnership with mutual gain and horizontal growth, for both the countries. With this framework, the cooperation is institutionally organised for promoting exchange of knowledge with emphasis on cooperation for mutual benefit rather than being driven by the profit motive of the market (Bracho, 2018).

It is important to mention that this initiative took forward the spirit of Buenos Aires Plan of Action (BAPA), 1978, and the Bandung Conference, 1955, that emphasised on enhancing Technical Cooperation among Developing Countries (TCDC) and Economic Cooperation among Developing Countries (ECDC).

### **Project management**

The design of the project while focusing on the flow of knowledge and experiences from India to Peru, allows for mutual engagement ensuring learning among both the partners for a complete exchange of knowledge.

Indian experts in the field of hydrocarbon energy travelled to Peru to share knowledge with Peruvian professionals. The experts undertook

activities to supervise management, processes and the energy plant. Coordinators from both the countries shared their respective approaches related to the inter-institutional agreement draft. This includes aspects like sales growth of liquid petroleum gas, distributors, packaging capacity to improve the value chain in terms of production, transportation, distribution for the final consumer to have an improved access of this product, focusing on people who live in abject poverty. This step concluded with the signing of the 'Inter-institutional Agreement on Technical Cooperation in Safety and Distribution of Liquefied Petroleum Gas' between Supervisory Agency for Investment in Energy and Mining of Peru and the Indian Oil Corporation Limited. This strengthened the scope for linkages between institutions as well as a two-way knowledge flow, primarily to assist the Indian side to share relevant and timely knowledge as per the demands of Peru. Such an exchange would lead to improved knowledge and capacities for both the provider and facilitator, to actualise a complete South-South knowledge partnership (Bawa, 2018).

The activities of this project also included a Peruvian delegation undertaking a field visit to Noida, Uttar Pradesh, India, where the application of safety controls has been observed for valve leaks and cylinder. The real-life show-and-tell style of knowledge sharing allowed for the possible appreciation for the safety conditions of the installation as well as build capacity through the sharing of on-ground experiences and literature through in-plant used safety instructions booklet and policies. Further, the Peruvian

delegation visited the Bhiwadi liquid petroleum gas cylinder factory in the Indian state of Rajasthan, for sharing of know-how on cylinder manufacturing process, safety controls, test requirement by the standards, painting processes and labeling of cylinders with manufacturing and re-inspection information. Such information is critical as knowledge is required to flow down to the very grassroots level of management to reflect impact and effectiveness. Finally, the Peruvian delegation also visited a beneficiary Indian family of India's clean energy initiative, to appreciate the facilities of reception and household level of storage of liquid petroleum gas. In all these steps, knowledge was transferred from the Indian provider to the beneficiary Peruvian professionals.

The exchange of experiences and information allows Peru to enrich knowledge regarding the safety and distribution of liquid petroleum gas, which would contribute to strengthening its policy making process and put in place guidelines and strategies for supervision and control of the safety in the distribution and commercialisation of LPG. That will also contribute towards improving the safety and marketing of LPG cylinders that are consumed by more than six million families in Peru.

Study trips and field visits allowed Peruvian officials to appreciate how India has implemented its initiatives for improving access to clean energy making it possible to take the knowledge and technical know-how back to Peru. Thus professionals carrying out short term internships contribute towards increasing the effectiveness of the cooperation between the partner countries because

technical cooperation, coordination and collaboration enabled through transfer of knowledge and skill empowers countries towards their autonomous development.

## Conclusion

This project is a great example of Southern partnership driven by the demands of Peru and achievement of the SDGs. Priorities for engagement are determined by partners and characterised by professional training, investment and technology knowledge transfer. This exchange of experience between countries has been effective, as it enlarges the panorama of professionals to propose solutions that can be incorporated into the Peruvian reality. Application of that knowledge and further assistance from the provider partner and other levels of engagement will allow Peru to build its own knowledge and technological base to enable it to undertake its development activities. For India also, the sharing of knowledge, its application by Peru and the outcome will too become a learning experience to create a model for future engagements.

This approach also becomes beneficial for other developing countries, as a spill-over effect of South-South Cooperation, and is advantageous for the creating of models and best practices that can be tailor-made based on the needs of the partners.

Following the principles of SSC, in light of solidarity and achieving demand driven solutions according to national priorities, this project has opened up many avenue for India and Peru to exchange knowledge, experiences and technologies in the clean energy sector. It allows broadening of the vision of professionals, which would contribute immensely to

the development of new proposals for further cooperation. In the backdrop of the initiative of “leaving no one behind” these efforts between India and Peru would also contribute towards the achievement of the Sustainable Development Goals, in an interconnected world with opportunities for one and all.

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## UNITED NATIONS POPULATION FUND AND SOUTH SUDAN COOPERATE IN HEALTH SECTOR

The United Nations Population Fund (UNFPA) and South Sudan's Ministry of Health signed a five million U.S. dollar cooperation agreement to strengthen South Sudan's health sector. A three-year work plan (2019-2021) has been charted to uplift the ailing sector focusing on training of health workers including midwives and nurses, procurement and distribution of reproductive health commodities, strengthen mechanisms to fight gender-based violence in the country and promote sexual and reproduction health rights.

The World Health Organisation (WHO) posits health indicators of South Sudan as one of the lowest globally. The country's maternal mortality ratio is at 789 per 100,000 live births and neonatal mortality stands at 39 per cent, according to data released by the WHO in 2018. The Human Development Indices and Indicators as of 2018 posits the country at the low human development category ranking 187 out of 189 countries.

This partnership will be a step towards making South Sudan's health sector more resilient and can create a framework for learning among countries such as Lesotho and Benin.

*Source:* Anon. (2019, April 11). South Sudan, UN sign 5 mln USD health cooperation pact. Family Planning 2020. Retrieved from: <https://www.familyplanning2020.org/news/south-sudan-un-sign-5-mln-usd-health-cooperation-pact>