Abstract: This article describes and analyzes the case of MERCOCIUDADES as a practical case of Decentralised Cooperation and South-South Cooperation (SSC). It examines briefly different definitions and key elements of Decentralised Cooperation. It also describes the South-South Cooperation framework and highlights the differentiating components with North-South traditional model of cooperation. After that, it studies the conformation of MERCOCIUDADES and the South-South MERCOCIUDADES Cooperation Program as a tangible implementation of the main principles and modalities of South-South cooperation. To conclude, it describes the important role of Local Governments as a key player to reach the Sustainable Development Goals.

Introduction

It is broadly agreed nowadays that the global scenario is changing dramatically. One of these changing features is the understanding of the traditional model of international cooperation theorized mainly by the North. It is challenged by the developing countries with the SSC’s promising framework and their innovative principles. Latin America is a region where this model is dynamically progressing and has increasingly become a key tool to reach the Sustainable Development Goals (SDG) adopted by the United Nations through the Agenda 2030.

South-South Cooperation (SSC) is not only limited to countries, it could be used by subnational actors to promote cooperation and to implement different initiatives, which is known as Decentralized Cooperation (DC). An example of this is the establishment of the Red MERCOCIUDADES (MERCO
CITIES NETWORK), led by the majors of local governments in Latin America.

The present article will draw upon with a brief definition and different views of the concept of DC. Following that is a theoretical approach of SSC model, particularly with the main pillars, which makes a relevant difference from the historical model of cooperation. Next section will analyze key objectives, programs and initiatives of MERCOCIUDADES. Finally, the relationship between the features of SSC, role of DC and their implementation in MERCOCIUDADES will be laid out.

Decentralized Cooperation
DC is gradually becoming a key instrument to consolidate SSC and strengthening the role of subnational actors on achieving the Agenda 2030 SDG’s adopted by the United Nations General Assembly. In order to analyse the case of MERCOCIUDADES as an example of DC, it is interesting to observe briefly the two main visions of this concept as long as it does not have a universally accepted definition.

It is interpreted differently depending on the actors that are involved. For example, the European Union recognised (as agents of this kind of cooperation as) decentralized public authorities, rural and village groups, cooperatives, trade unions, teaching and research institutions, non-governmental development organisations, among other associations (Hafteck, 2003). Thus, the European Union considers any domestic actors that are not agencies of the national government.

Other organisations such as World Bank, the French Development Agency and the Brazilian Cooperation Agency have their own definitions, but it is possible to observe that they understand the relations to be between local governments from different countries with more or less formal partnerships, and they do not reject non-state actors in that cooperation (Ngarje, 2015).

It is interesting to observe that DC has added some principles such as territorial roots of the actors, multidirectionality and emergence of new instruments, as well as sharing some principles of SSC such as horizontality and reciprocity: mutual interest and benefits.

In summary, for the purpose of this article there are three relevant elements to highlight and to identify the presence of a DC initiative: (i) Local Governments as lead actors, (ii) a common purpose influenced by the SDG and (iii) the nature of main initiatives implemented: exchange and support (Hafteck, 2003).

South-South Cooperation Model
The South has started to play a key role in the global scenario putting pressure for changes in the international development architecture and promoting the creation of new institutions. The SSC is considered an innovative way to promote development among developing countries, taking place on a bilateral, regional, sub-regional or inter-regional basis. These countries have been working to establish a different approach, which is not contained in the traditional North-South model and it is recognized by two main characteristics: a set of guiding principles and a plurality in modalities of cooperation.

Firstly, it is likely to identify essentials guiding principles: demand-driven, solidarity, non-conditionality, mutual benefit, equality, respect for national sovereignty, national ownership, independence and non-interference, among others. Therefore, it is possible to highlight the emphasis in the horizontal and equity relation where every member is considered a partner and the aid is not subject to any conditionality. They pursue of long-term mutual
benefits, assuming costs proportionally to the possibilities of each counterparty. SSC presents an important difference with the traditional North-South Cooperation model, because it uses local resources, involves low costs and ensures the possibility to implement agreements in a flexible way, fast and without conditionalities (Calvento & Rolandi, 2015). Another innovative point is the valuation of qualitative results.

Secondly, SSC includes a plurality in modalities, such as capacity building, technology and knowledge-base, trade and investment, grants and lines of credit. Even though such variety exists, their convergence is necessary to ensure the aspiration of influencing development in totality. SSC pursues collective ‘self-reliance’ as against perpetual dependence. This paradigm of development cooperation has been termed as ‘Development Compact’ (Chaturvedi, 2016).

**MERCOCIUDADES**

During the period between 1980 - 1990, it is possible to observe the creation of global network or cities network to promote relations between them, to share experiences and to work together to tackle common issues. An example of these networks is the establishment of MERCOCIUDADES in Latin America, which was created in March 1995 by the majors during the conference Union of Ibero-American Capital Cities-Southern Cone Region in Asuncion, Paraguay, with the objective to participate actively in the regional integration process, to show the main role of cities in this process and promote economic, social and politic cooperation. After that, in November of the same year, 12 cities signed the Founding Act during the First Summit of Mayors, Intendentes and Prefeitos of MERCOCIUDADES in Asuncion, Paraguay, considering cities as centers for boosting local and regional development (Andrade & Andrade, 2017).

Currently, this association is one of the most important ones engaged in the regional integration process with 349 cities from Argentina, Bolivia, Brazil, Chile, Colombia, Paraguay, Peru, Ecuador, Uruguay and Venezuela, which represents more than 120 millions of people. For the purpose of this article, it is relevant to underline briefly some objectives, programs and projects of MERCOCIUDADES.

**Objectives**

Firstly, the article two of Statutes declares its objectives: encourage the participation of cities in the structure of Mercosur by pursuing co-decision in the areas of their competence; promote the creation of city networks through operational technical units that develop various actions, programs and projects of common intermunicipal interest appropriate to the integration process; establish and promote reciprocal agreements and services between the various municipalities and the networks that were created; advocate intermunicipal cooperation in the field of science and technology; among others.

These objectives relate to the practical implementation of DC and SSC principles. The non-conditionality principle is possible to observed in the co-decision of participation, the horizontal and equity relation in the elaboration of diverse actions of common interest, the mutual benefit is clearly promoted through reciprocal agreements between different municipalities and the municipalities are the main actors of the network (territorial roots of the actors).

Therefore, MERCOCIUDADES not only considers these principles, but also promotes them, encourages their members to work on that and, as it is will be mentioned later, it allocates funds to support it.

**South-South MERCOCIUDADES Cooperation Program**

Further, since March 2017, the network launched the “South-South MERCOCIUDADES Cooperation Program” (SSMCP), an unparalleled experience in Latin America, allocating its own funds to encourage local governments, universities and civil society organisations to support and transfer knowledge in a wide variety of priority topics for cities, which would improve the quality of life of citizens, promote the gender
perspective and enhanced regional development. The SSMCP includes two lines of action: “Training for formulation of regional projects” and “Calls for financing projects”.

Training has mixed modality (face-face and virtual), allowing participants to benefit from content that would base in theoretical and methodological tools and share different experiences between their own cities.

In the case of projects, every year MERCOCIUDADES selects four projects and prioritizes topics that it would like to enforce, such as climate change, sustainable development, resilience, migrations, culture, innovation and regional integration.

These endeavours have a variety of modalities that can be presented: technical assistance, exchange of experts and officials, internships, forums / workshops / seminars, human resources training and dissemination material. As it is possible to observe, MERCOCIUDADES with SSMCP takes principles of DC and SSC to implement them in a practical way. Furthermore, it endorses a variety of SSC’s modalities, especially capacity building, technology and knowledge-base and grants.

SSMCP has been operating for two years. Eight projects were submitted in 2017 and 14 in 2018, involving seven out of ten countries in a variety of issues, such as entrepreneurship, local economic development, open government, gender equality, urban planning, climate change, among others.

In order to implement these lines of actions, MERCOCIUDADES has partnerships with national, regional and international institutions and organisations to support the development of the projects. In that sense, in its first two years it had the support of the Inter-American Development Bank, the Ibero-American General Secretariat and the European Union, among others.

Those partnerships played a key role in the implementation of that initiative because they contributed to backing more projects. As a result, MERCOCIUDADES kept the same contribution, but the Program’s resources to finance projects in 2018 have been doubled from the previous year. It can be seen that with a contribution of US $ 20,000 annually, the SSMCP has supported projects valued at a total of US $ 51,782 in 2017 and US $ 93,988 in 2018 respectively.

Another important aspect is its openness to civil society that the Program has shown, which is evidenced in the increasing participation of universities and civil society organisations in the nominations, accompanying local governments and reflecting a greater articulation between actors.

The growth of resources and the increase of participants in the different instances have shown that SSMCP is a tool valued by local actors and suitable to advance in the promotion of local public policies to solve the various challenges that the region is facing now.

**Conclusion**

Local Governments are key players in the objective to reach the SDG because they implement the policies and they are in the field working directly with communities, but the high levels discussions not always consider them and they don’t have enough resources to tackle their own challenges. That’s why, it is becoming relevant for cities to make alliances among partners to share experiences, adapt best practices, search for resources and implement development projects.

In order to achieve that, cities have started to work on international relations by long term partnership agreements, which is known as DC. MERCOCIUDADES is a tangible model of DC, where local governments are leading the actions with a common purpose influenced by the SDG.

On the same page, SSC becomes an alternative to the traditional North-South Cooperation model with their own principles and modalities of cooperation more adapted to the reality of developing countries. MERCOCIUDADES has taken this “Development Compact” framework to a large extent and has gone ahead with concrete initiatives and projects between cities.
in Latin America, strengthening the role of local governments to show globally the local problems and makes the voice of the South stronger.

The performance of SSMCP is going well and it has the opportunity to growth still more. For instance, it is important to include private companies in order to raise more resources and finance more projects and training as well as share knowledge between these two sectors.

To conclude, the role of cities network is relevant to tackle social issues and to leaving no one behind, implementing cooperation through mutual benefits, no conditionalities and solidarity.

Endnotes


References


