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# Development Cooperation Review

DCR

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# Content

# Editorial

Development Cooperation Review (DCR) engages with South-South Cooperation (SSC) and the global architecture of development cooperation. SSC is an embodiment towards fulfilling the aspirations of Agenda 2030 and the commitment to achieve global goals to tackle borderless challenges and ensure inclusive development. This issue focuses on South-South Cooperation and SDGs, SSC and localizing of development, sustainability issues of SSC and India-Africa Development Cooperation

In the current issue the first article by *Mcezekiel Edem Aheto* titled, "South-South Cooperation, Tool for Holistic Transfer of Knowledge and Best Practices for Development- A Review of Non-Conditionality to Boost Local Economies", presents that the global South wields a great potential to transform economies of partners as well as deepen bilateral ties for future prospects across several economic sectors. To attain conscious holistic development and increased local economic growth, the application of some conditionality is key to ensuring that there is a controlled wave of development that will be easily monitored and experienced by the provider and development partner respectively.

The article by *Muhabbat Malikova*, titled "South-South cooperation for achieving Sustainable Development Goals in Tajikistan" analyses the impact of South-South Cooperation in the implementation of Sustainable Development Goals in Tajikistan. Increasing green investment contributes to the improvement of social and environmental sustainability and provides sustainable alternative livelihoods for people.

In the third article "Sustainability Initiative of South-South Cooperation and East African Countries", the author Ali Salum Haji analysis the impact of South-South cooperation in East African countries in sectors of education, digital economy and health. India's development cooperation for capacity building under ITEC is more than a professional skill, it also prepares the country for an increasingly globalized world.

In the next article "India-Africa Investment, Trade and Economic Cooperation: Challenges and Perspective", author Rambang Tot Deng have shed light on India-Africa economic relations and recognizes the importance of the African continent for India's economic growth and development and aims to strengthen the existing bonds of friendship between India and Africa.

Beneficiaries of India's development cooperation across the developing world, including participants in training programmes and scholarships, have reached high offices in their countries and carry fond memories of their sojourn in India. In the column on Ambassador's perspective, Ambassador Anil Trigunayat notes this India connect and the fact that 13 leaders in Africa have been trained in India. He also narrates a brief account of his experience with such officials in Mongolia, Latvia, Libya and Jordan.

Since its inception RIS has worked towards strengthening cooperation among developing countries and initiated the first- of- its- kind international platform for knowledge creation and exchange, calling for a Conference of Southern Providers under the Delhi Process in New Delhi in 2013. The conference initiated a dialogue on the nature and contours of SSC, with an aim to enhance knowledge sharing and led to the conceptualization of platforms such as the Network of Southern Think-Tanks (NeST). Subsequent conferences in 2016, 2017, 2018, 2019 and 2022 continued the tradition of highlighting the plurality and diversity in SSC and reflecting upon SSC's theoretical underpinnings in light of empirical realities.

The following section presents reports on the Voice of Global Summit, held on 12-13 January 2022, and the Sixth Conference in the series of the Delhi Process, 'Exploring New Development Paradigms and Growth Strategies: Partnerships in Times of Transition and Contestations, held in August, 2022, in New Delhi. The key issues deliberated upon included new development paradigm, global development initiatives and scope for partnership and cooperation, macroeconomic challenges and weakening means of implementation, recalibration towards SDGs 2.0 and beyond GDP-measuring development and wellbeing, among others.

The section on SSC in Statistics by *Sushil Kumar* explains the dynamics of intra-regional trade in Africa. It discusses the trends in African merchandise trade from 1992 to 2021, while highlighting that the opportunity for Africa's regional integration hasn't yet been fully exploited.

DCR invites policymakers, officials, researchers, academics and development practitioners to contribute to the forthcoming issues to share their ideas, experiences and concerns vis-à-vis development cooperation.

# South-South Cooperation, Tool for Holistic Transfer of Knowledge and Best Practices for Development

## A Review of Non-Conditionality to Boost Local Economies

**Mcezekiel Edem Aheto***

***Abstract:*** The Global South wields a great potential to transform the economies of partners as well as deepen bilateral ties for future prospects across several economic sectors. The adoption and implementation of South-South Cooperation as a development partnership approach in transferring knowledge, skills and technological capacities need to be holistic in every sense for ensuring that the development partners do not face the challenge of re-inventing the wheel or piloting a given project or programme with funds or technical support provided by the partner without taking local needs and conditions into account. It is against this backdrop that the principle of 'non-conditionality' should be reviewed in order to make a conscious effort in spreading development to the peripheries and boosting local economies. This approach will decongest the population as well as move away from the saturated development interventions of the centre (central business districts) and re-direct resources to local economies, i.e. local government authorities, towards the re-distribution of economic growth and improved standard of living.

***Keywords:*** South-South Cooperation, Non-conditionality, Localisation of Development

## Introduction

This paper seeks to propose a review of the principle of non-conditionality with respect to SSC towards the attainment of an improved local economy or enhanced local content in every sense. The use of local content at its basic meaning makes reference to the use of raw, indigenous, homegrown, and artisanal logistics, products, or services that are found or provided within a given local

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area and administration. Categorically, the best places to find these resources are mostly rural areas, communities or villages. Hence by facilitating economic growth in these areas or ensuring the development and use of their locally produced and available resources, it encourages development partners to ensure that interventions are directed to the appropriate areas for the attainment of local development. The paper captures the thoughts of some established authors, development experts, Think Tanks and personal views that mainly span observations made by the author of some systems of governance of West African Countries and a few other Developing Countries of the global South.

## South-South Cooperation and Governance in Developing Countries

South-South Cooperation (SSC) relies on a comprehensive understanding where the instruments of partnership may be used in unison with the objective of coherence across policy measures and with the aspiration of influencing development in totality. SSC has been primarily implemented through project-based approaches rather than programmatic and prescriptive approaches. The objectives underlying such projects are collective 'self-reliance' in the South that can be interpreted as the core mission intrinsic to SSC. In order to meet the above objectives, the multiple modalities and their convergence have been particularly effective. This paradigm of development cooperation has been termed as 'Development Compact'. Overall, such approaches are broadly expected to adhere to the principles of SSC such as demand- driven, non-conditionality, sovereignty, national ownership and horizontality among others (RIS, 2019). The SSC by all standards is an effective tool for sharing both knowledge and best practices with developing partners for achieving the long-term goal of self-reliance. That notwithstanding, it appears most of the concentration is based more on the transfer of skills through capacity building and training but not on the insistence of applying best practices shared with the developing partners.

The World Bank Policy Press Release (2017) on the topic, "Improving governance is key to ensuring equitable growth in developing countries" emphasised the fact that a new World Bank policy report urges developing countries and international development agencies to rethink their approach to governance, as a key to overcoming challenges related to security, growth, and equity. Also, the World Development Report: Governance and the Law (2017) explores how unequal distribution of power in a society interferes with policies' effectiveness. Power asymmetries help explain, for example, why model anti-corruption laws and agencies often fail to curb corruption, why decentralization does not always improve municipal services, or why well-crafted fiscal policies may not reduce volatility and generate long-term savings.

The report notes that when policies and technical solutions fail to achieve intended outcomes, institutions often take the blame. However, it finds that countries and donors need to think more broadly to improve governance so that policies succeed.[1] It defines better governance as the process through which state and non-state groups interact to design and implement policies, working within a set of formal and informal rules that are shaped by power.

Most governments of developing countries run a system of governance that mostly ensures that the local governments are tightly knitted to the strings of the authority of the central governments. Though most systems of governance are decentralized both for federal states and unitary states, the decentralized establishments mainly tasked with implementation, mostly experience interference from the central bodies whose only aim is to provide policy direction and supervision of the intended programme or project. The devolution of power to the local government authorities is not absolute and this instance goes an extra mile to influence development interventions that are meant for some particular local economies as the selection of the area may be left to which Member of Parliament or Metropolitan, Municipal or District Assembly/Local Authority Representative/Chief does a good job at lobbying for it. From personal observation, it has been noticed that most of these development interventions end up in the capital and its surroundings for the proximity of supervision by the central authorities, i.e. Ministries and Regional Coordinating Councils and lead to a saturation of interventions within the Central Business Districts (CBD) and their environs while in effect, the peripheries, outskirts and rural areas that deserve these interventions more, are left out. These interventions are commonly found in areas/regions/provinces close to the seat of government or the CBDs to affirm evidence of the local authorities or their representatives who are notably seen to be working or exercising their mandate. Chaturvedi *et al.* (2013) indicated that 'the prime purpose of Small Development Projects (SDP) in Nepal is to link development projects with community and local development efforts while also ensuring a role for local agencies' (Chaturvedi, 2016). Central Governments must learn to delegate entirely the purpose of local development to local authorities and agencies and take some best practice lessons from Nepal's two-tier local administrative system.

## Review of the Principle of Non-Conditionalities

According to the Forum for Indian Development Cooperation (FIDC), from the structuralist perspective, imposing conditionality does little to influence the growth prospects of a programme country. According to structuralists, a certain level of inflation is a natural phenomenon in developing countries, which tend to experience long-term supply bottlenecks. Since the structuralist framework sees a convergence between inflation and development as a long-term policy objective, it imposes no strict adherence to conditionality. Though this approach is too simplified to address short-term imbalances in the economy, it has long-term implications for allowing macroeconomic stability to go hand-in-hand with economic growth. Therefore, India's current practice-development cooperation programmes without conditionality are very much consistent with the structuralist approach.[2]

This to an extent seeks to achieve a long-term objective with respect to macroeconomic stability. On the contrary, with the existence of possible bottlenecks in the system of governance, it would be necessary to crack the whip by applying some 'mild conditionalities' in the bid to ensure localisation while respecting the other guiding principles of sovereignty, equality, national ownership, horizontality among others. The review of the principle of non-conditionality is likely to positively influence the sense of knowledge sharing and partnership as conditions that may be enforced to circumvent bottlenecks within the system of governance in the developing partner country.

The conditions may be limited to providing parameters such as the population size of the given locality (e.g. a population size between 1000–3,000 people), high illiteracy rates, mainly farmers or low-income workers, just to mention a few. These few mild conditions when requested by the provider may allow the proper allocation of development interventions to the appropriate local areas or regions to ensure that the benefits meet both the goals of the provider and the developing partner country.

The Development Assistance Committee (DAC) seeks to make aid programmes effective through policies of conditionality, budgetary support, microtargeting, and other monetarist principles. This approach has often drawn criticism because of the complex nature of its financial procedures and the risks involved in adhering to conditionality (Oxfam, 2006). Moreover, several developing countries have failed in the past to comply with stringent conditionality because of domestic compulsions, despite sincere efforts (Mohanty, 2016). He was also of the view that many emerging countries noted that although the scale of cooperation resources they can offer lags behind that of more developed countries, the demand had surged. He (Mohanty) alluded to the fact that emerging countries often engaged in sectors where 'traditional donors' have minimal or no presence and such projects may prove highly effective precisely because their financing does not depend on the recipient's overall macroeconomic performance or on conditionality. This position was affirmed by Chaturvedi *et al.* (2013) that the growing dependence on cooperation from emerging countries may also indicate effective delivery systems.

India's adoption of the Mission Approach makes it an established partner 'on campaigning against colonialism and helping empower developing countries. It has therefore aimed to sustain present levels of engagement with developing countries, further supporting them in efforts to come out of deprivation and engage in long-term, sustained development'. The Mission Approach according to Mohanty aims to identify a set of growth drivers that support partner development efforts, setting them on high growth path (Mohanty, 2016). Technically, an understanding of economic conditions (based on macroeconomics paradigms) in partner countries could help identify these economic drivers and key growth sectors. This might also help in devising a 'road map' for providing consistent and predictable resources to selected areas, without conditionality and in the spirit of 'partnership' principle (Chaturvedi & Mulakala, 2016).

The engagement in trade cooperation differs from one emerging country to another, and further demonstrates assumptions closer to the structuralist position than the monetarist one. For example, China finances infrastructure projects in recipient countries but uses barter-trade in settling loans with these countries. Instead of recovering loan elements in monetary terms, China prefers to accept equivalent amounts in goods such as minerals[3].

According to Sengupta (1993), the development compact must be based on the principles of 'mutuality of obligation' and 'reciprocity of conditionality'. Under the development compact, developed countries and international organisations will provide the assistance necessary for the successful implementation of development plans in poor countries, while in return developing countries will cooperate in the process through bold reform programmes. In the absence of appropriate capacity within a developing country, the developed countries will be required to provide whatever assistance is necessary for developing countries to achieve their targets. The development compact envisages a reciprocal obligation between developing countries and bilateral donors, international organisations and the UN system; hence it will be a country-specific arrangement, instead of a traditional 'one-size-fits all' solution applied across the board to take care of all problems of developing countries.[4]

India's mission approach differs distinctly from the framework approach[5], but it has some elements similar to those of the ingredient approach. It favours defining development cooperation as demand driven, impelled by the aid-recipient requests and needs. In this view, development cooperation should adopt sectoral-support programmes, based on specific projects, rather than providing broader budgetary support. These projects may not be highly capital-intensive in nature but should cover several desired sectors, depending upon the request of the partner country. These projects should also aim at improving supply conditions in these countries; the mission approach emphasises sectors such as agriculture and manufacturing, which create large forward and backward linkages in the partner country (Mohanty, 2016).

In the conclusion, Mohanty in his article 'Shaping Indian development cooperation-India's mission approach in a theoretical framework', emphasised that 'in examining the approaches and policies of the monetarist and structuralist providers, we found that orthodox and heterodox programmes failed in most of the programme countries during the last five decades. Stringent conditionality associated with an orthodox stabilization programme could not produce better results than structuralist heterodox stabilization programmes. Therefore, the efficacy of development cooperation policies related to conditionality should come under close scrutiny'.

The above assertion goes to underscore the reason for the review of the principle of non-conditionality, applying 'mild or soft conditionality' with utmost observance of all other guiding principles of India's development cooperation and ensuring that the cooperation offered is not tied to the macroeconomic performance or any other stringent conditionalities that steers it in the direction of the monetarist approach. The application of the 'mild or soft conditionality' is a step in the right direction for ensuring that developmental interventions are directed to influence local economic growth and in the long term promote the empowerment of local authorities in growing their respective economies and proffering solutions to the immediate local economic challenges which should not be the reserve of central/federal governments and its budget or revenue.

The 'mild or soft conditionality' will also be a credible tool in shaping the governance system of the recipient partner without applying force or appearing as controlling. This could be achieved by empowering the respective local economies through various economic interventions (i.e. agriculture and manufacturing) and most exclusively the provision of housing support in the stead to bridge the housing deficits that bedevil most developing countries. By extension, the local economies will also be empowered by the increased population of qualified and skilled workers residing within their respective areas who can make meaningful contributions to their local economic dispensation. A key player in this strategy will be the provision of affordable and conducive housing which will decongest the cities, central business districts and what is herein termed as the 'saturated centre'. As the skilled workers and their families will be drawn to affordable and conducive housing in the peripheries, there will be the transfer of businesses, innovations, technologies, business solutions and ideas, social capital, transport services and others to these local economies as they provide a fertile ground for business transactions and also fit the purpose of 'ground zero' for the introduction of tried and tested modern infrastructure, land use and spatial planning as well as eco-friendly developmental interventions.

Chaturvedi (2016) in his book, 'The Logic of Sharing; Indian Approach to South-South Cooperation,' with reference to the nature of non-conditionality stated that one strong explanation for the significant attention and acceptance that the SSC has attracted from the recipient partners is the absence of conditionality. He, however, indicated that there is a growing debate among some experts whether the SSC is really as free from conditionalities as frequently claimed. He added that critics allude to the directed sourcing of material for the SSC-funded projects as conditionalities in disguise. Chaturvedi (2016) rebutted the assertion and emphasised that "provisions as regards materials and equipment sourcing hardly contradict the conditionality principle because they aligned to the 'mutual gain' principle of SSC. The policy of non-interference in domestic affairs and respect for the national sovereignty of development partners also make the SSC partnership more acceptable to the global South. Insofar as the SSC provides an elbow room for recipients to conceive, construct and administer development projects sensitive to national priorities and developmental aspirations, it carries with it respect for the independence and national sovereignty, cultural diversity of the recipient and the identity of local content".

The concerns and thoughts by these critics raise the need to review the principle of non-conditionalities of the SSC as there is definitely no concept of a 'free lunch'. The most religious principles underpinning the SSC are the respect for national sovereignty, independence, territorial integrity, non-interference in domestic matters, non-aligned status of partner countries, a preference for negotiated solutions through dialogue and equality of partners. These principles highly distinguish the SSC from any other development cooperation out there. The distinguishing key elements the SSC offers are the Five Rs (5Rs); - respect, recognition, reliability, reasonability, resources and results.

It is based on these arguments, that the concept of the 'mild or soft conditionality' is proposed to ensure that slight adjustments are recommended by provider partners during negotiations or dialogues with the recipient partners. These 'mild or soft conditionalities' shall not interfere with the other key principles in anyway, nor shall they be mainly profiteering to the detriment of the recipient partner nor shall they be premised on the macroeconomic performance of the recipient partner but rather, these 'mild or soft conditionalities' shall aid the direction of programmes or projects to the appropriate local area and ensure to benefit both partners as well as help in the recipient partner attaining self-reliance in due course.

The 'mild or soft conditionality' is not an aberration of a demand-driven or needs based request from developing countries but only provides parameters for meeting the description of a local area or economy out of which the needed interventions shall be implemented to ensure that it is not left to the decision or mercy of political will or lobby. The provider will witness their funding or support being applied where it is needed most and this will awaken the developing countries' governments to make commensurate efforts in promoting growth in that regard. For instance, when investments are made in agriculture to increase yields as well as process raw materials in a given locality, it behooves the government of that developing country to initiate plans to ensure that the needed infrastructure such as motorable roads is provided to enhance transportation of produce and products to the markets and end-users. This position is affirmed by Chaturvedi (2016) in his article, 'Towards Health

Diplomacy – emerging trends in India's South-South Health Cooperation' where he concluded that, 'partner countries also need to invest more in their science, technology, innovation, and health-promotion plans'. This approach is a partnership in its very essence as both parties match up the efforts of each other without stringent conditionalities and the gauge of macroeconomic performance.

The given parameters of 'mild or soft conditionality' may restrict the influence of bottlenecks of the given interventions and accord the provider or partner country the opportunity to select an area from amongst the list suggested by the recipient country to direct the project or programme. In essence, this will ensure that development is fairly distributed and the peripheries and local economies receive a fair share of a holistic economic boost. This practice upholds the demand-driven and mutual benefit features of SSC.

## Localisation - Boost to the Local Economy

Among the various development strategies, localisation is emerging as the new normal. More and more efforts are being made to ensure growth with local content and local hands with local livelihood security with as less carbon footprint as possible. This has given greater flexibility for the national governments to choose policy options from successful experiences and strategies. Specific experiences from emerging economies - be that China or India, and even earlier the newly industrialised countries (NICs), stand for that endogeneity. Efforts are on to identify the most appropriate modality in this regard (Chaturvedi, 2016).[6]The UNDP Human Development Report of 2003 further explained the proposition, defining the development compact as an arrangement based on a system of shared responsibility, where all countries could orientate their efforts towards helping poor countries achieve their development goals. The compact allows poor countries to pitch for higher assistance and improved market access, while provider countries can demand better governance and accountability in return.[7]

As more efforts are being made by partners in SSC to ensure growth with local content, it would not be a breach of agreement with respect to ensuring that some forms of conditions are applied to redistribute economic growth from the centre (i.e. central government areas and urban economies) to the local authority or rural areas. This in the long term would help address some economic challenges such as high unemployment rates in the urban areas, as ready labour (skilled and unskilled) will be motivated to find employment in the peripheries or rural areas. In the same stead, it will bring infrastructural and socio-economic developments to the local economies, i.e. good roads, improved health facilities, advanced educational establishments, etc. According to Mohanty (2016), 'the mission approach emphasises sectors such as agriculture and manufacturing, which create large forward and backward linkages in the partner country'. Moving forward it will be apt for providers or donor partners to look beyond the regular areas of cooperation and consider affordable housing in ensuring localisation. This to a long extent fulfils Sustainable Development Goal (SDG) 11 of attaining sustainable cities and communities.

The World Health Organization defined housing as a "residential environment which includes, in addition to the physical structure that man uses for shelter, all necessary services, facilities, equipment and devices needed or desired for the physical and mental health and social well-being of the family". It is estimated that around 40 per cent - in some cases, 75 per cent - of the population of fast-growing cities in developing countries is housed in squatter settlements without basic services. Cities are growing at an unexpected and exponential rate, often not aligned with urban planning and development. Many people are moving from rural areas to cities for work, and since the cities are not able to expand at the same pace, most of them end up in slums – overcrowded areas with inadequate access to safe water or sanitation, poor structural quality of dwellings and insecurity of tenure. Today, the number of people living in slums is estimated around 881 million in developing countries only, against 689 in 1990. In Sub-Saharan Africa, 59 per cent of the urban population lives in slums; in Asia and the Pacific, home to half of the urban population of the world, that per centage drops to 28 per cent of the population, while in Latin and Caribbean countries it passed from 30 per cent to 21 per cent over the last decade. Having access to quality affordable housing is fundamental to reduce poverty, improve equal opportunities and guarantee sustainable growth: for this reason, it became the objective of UN Sustainable Development Goals (SDG) number 11. The aim, by 2030, is to put housing at the centre of specific policies to reduce drastically the number of people living in conditions below the minimum standards. Housing can be considered affordable if its cost (mortgage or rent) is below 30 per cent of the household income: according to the U.S. Department of Housing and Urban Development (HUD), if a family pays more than 30 per cent of their income for housing, it is considered a cost burden. HUD also estimated that currently, 12 million people in the U.S. pay more than 50 per cent of their annual income on housing, thus living in conditions of unaffordability (Habitat for Humanity, 2020).

The application of 'mild or soft conditionalities' towards directing developmental interventions to the peripheries or local economies do have a ripple effect on transforming the economies of the peripheries and diffusing the challenges and economic difficulties of the centre. The consideration of issuing grants or line of credits towards implementing affordable housing projects by providers or partner countries in addition to the other areas of intervention such as manufacturing, production, capacity building, technology transfers can help developing partners gain self-reliance in a more rapid manner.

In summation, this will help the central government to focus on formulating policies that will decongest the capital and urban areas to ensure that the high risk of health concerns, clustered developments or slums, high unemployment rates, security and crime concerns are controlled and managed.

## Localisation Model - 'Mild or Soft Conditionality' by Provider/Partner

The above model gives a pictorial description of the influence 'mild or soft conditionalities' proposed by providers that may accelerate localisation in a given developing country. It also indicates how such conditionalities can help redistribute economic growth, enhance devolution of developmental power to the local governments and mitigate the economic developmental challenges of the 'saturated centre', through strategic interventions such as agriculture, production and most importantly affordable housing, which this paper considers the '21st century quandary of socio-economic development of developing countries.

Figure 1 indicates how most developmental interventions are implemented within the proximity of the seat of government or central administrations of a recipient country. This is referred to as the 'saturated centre' as the influential powers retain these projects or programmes within the core in the bid to resolve the challenges that are known or visible to them as they also reside in the centre. As these projects and programmes are clustered around the centre it engenders a breeding ground for constant migration to the centre, thereby, increasing unemployment rates, housing challenges; slums, health concerns, crime rates, evasion of tax nets by petty traders and non-regulated street/ mobile businesses amongst others. It is also noted that just a few developmental interventions are seen in the peripheries, this may even be due to the lobbying capacity or skill of some Members of Parliament or Regional or Metropolitan, Municipal, or District Assembly Chiefs.

The decentralisation system in most developing countries appears as centralization in disguise as all local representatives aside from Members of Parliament (MPs) are appointed by the Executive or President. In addition to that, the multi-party system makes the lobbying process quite difficult even for Members of Parliament from the opposition side of the government of the day or ruling party. These features of the multi-party system grossly affect development and localisation in the long run. This inadequate distribution of development to the peripheries is referred to as 'partial localisation' in Figure 1.

Developmental interventions are only seen and experienced in the centre while a greater number of the population reside at the peripheries. The plain areas of Figure 1 are untouched, not built, little to no infrastructure (ground zero), an area viable to be developed and to receive sustainable development and implementation of advanced and modern development interventions. This is further explained in Figure 2. It presents an opportunity for sustainable steady growth, green developments, eco-friendly programmes and projects, and helps reverse the system of 'disguised

**LOCALISATION MODEL FOR DEVELOPMENT PARTNERSHIP: THE DEVOLUTION OF POWER BY DEVELOPING COUNTRIES, THE INFLUENCE / CONDITIONS OF PROVIDERS/PARTNERS TO CATALYSE LOCALISATION**

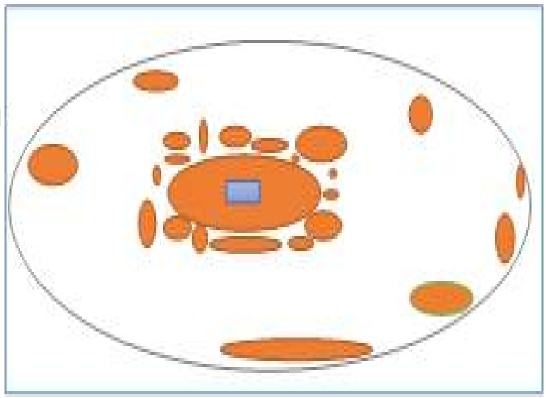
**Figure 1. THE SATURATED CENTRE**

**Legend**

the seat of government

developmental interventions

areas without developmental interventions



Partial Localisation

**Figure 2. SUSTAINABLE GREEN LOCALISATION (SGL)**

**Legend**

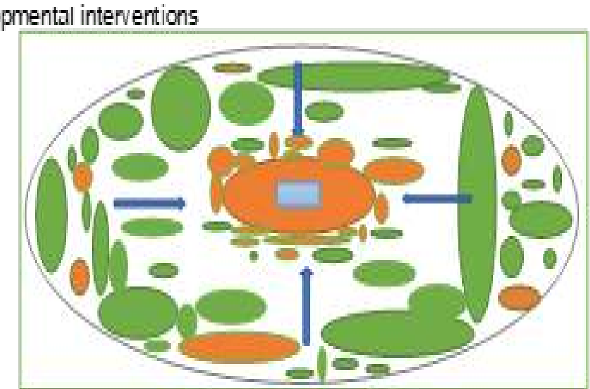
The SGL of the developed centre

Areas awaiting developmental interventions

Seat of government

Localization

The flow of SGL



Ultimate Localisation

**Source: Compiled by author**

centralisation' into full devolution for local authorities to be in the position to grow their localities with little or no control from central governments. Figure 2 also indicates sustainable green localisation which is influenced by the 'mild or soft conditionalities' of the provider in ensuring that the best practices and recent trends of development are introduced to the peripheries to help grow the local economies and resolve the socio-economic challenges of the 'saturated centre'.

Figure 2 also shows sustainable green development, which is development that protects the environment and causes no defect to it or its constituents but provides economic activities and gains to the inhabitants for present and future needs. The blue arrows imply the direction of sustainable green localisation and economic growth from the peripheries to the centre while the centre is decongested by encouraging voluntary relocation from the saturated centre to the peripheries for sustainable employment (i.e. policies/incentives to make farming more innovative and rewarding), living in birth places and helping build home communities/ villages, finding affordable housing, better health facilities and services, full educational level institutions from basic to tertiary(satellite campuses of main universities) in the same locality amongst others.

With regards to the previously saturated centre in Figure 1, repeated in Figure 2, it is worthy of note that the orange circles in Figure 2 have green lines around them, this indicates the mitigation of developmental challenges suffered by these areas earlier and the process of localisation resolves them in the long run.

As a way of preserving the centre, it is advisable for the governments of the developing countries to implement policies that will regulate businesses and residents of the centre i.e increased taxes, ground rents, tolls and parking fees. When the population and challenges are finally reduced, the centre could be designated as a government administrative area, technology, commercial residence / hotels or financial businesses centre

## Conclusion

Sachin Chaturvedi (2016) expressed the opinion that 'the specified set of modalities for the compact might evolve over time'. In the same vein, this paper has faith in the SSC's guiding principles while being flexible enough to adapt to new realities brought about by factors like shifting economic conditions, new international industrial and fiscal policies, acts of God or force majeure.

In summary, to attain conscious holistic development and increased local economic growth, the application of some conditionalities is key to ensuring that there is a controlled wave of development that will be easily monitored and experienced by the provider/development partner and the recipient partner, respectively. This new wave will be result oriented in ensuring that the pressures of the centre are dissolved by attending to the needs of the peripheries. There will hence be a ripple effect of growth from the local economies towards the centre. The 'mild or soft conditionalities' only affords the provider to have a say where their support or funding is directed for there is a proverb that says, 'he who pays the piper calls the tune'. The review of the 'non-conditionality' principle and the strict observance of the other key principles does not in any way liken the SSC to how business is done by the North-South or the DACs. This review will also clear the doubts in the minds of critics on the thought of 'non-conditionalities' being 'conditionalities in disguise' in South-South Cooperation. Hence the key recommendations are: Developing countries should be made to submit a list of communities that fit the parameters as prescribed above, for the selection of the Donor/Provider. This practice still follows a demand driven request approach in SSC. Provider partners should also provide parameters/characteristics that captures/defines a local economic area that should benefit from a given development intervention. This shall be known as the 'mild or soft conditionality' as the paper explains.

## Endnotes

1. The analysis points to the fact that engaging partners for South-South cooperation should not be business as usual. Efforts should be made were necessary to enchance economic growth and development even if it requires the admonishing of partners to adjust their systems slightly for a smooth run of a development intervention. This will lead to the collective good in the long term.
2. FIDC Policy Brief of March 2016 on the Indian Development Cooperation: A theoretical and Institutional Framework.
3. FIDC.
4. Sachin Chaturvedi, the Development Compact: A Theoretical Construct for South-South Cooperation RIS-DP # 203 June 2016.
5. According to his definition, the framework approach represents the 'rules of the game': economic agents make decisions and take action in a given economy, itself conceived in terms of the functions of institutions and mechanisms, thereby underscore the need to enforce conditionalities. By contrast, the ingredient approach refers to tangible organisational units such as enterprises, official bureaus, and industrial projects, along with their aggregations in industries, sectors, and regions (Chaturvedi & Mohanty, 2016). Wonhyuk Lim ascribed the framework approach to North-South engagements and the ingredient approach to South-South ones (Lim 2012).
6. Sachin Chaturvedi, Technical to Triangular Cooperation: Reconfiguring Development Partnerships for Localisation, Development Cooperation Review, (Vol. No.9 Pg. 3)
7. Ibid iii.

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# South-South Cooperation for Achieving Sustainable Development Goals in Tajikistan

**Muhabbat Malikova***

***Abstract:*** This paper examines the impact of South-South cooperation in the implementation of the Sustainable Development Goals (SDGs) in Tajikistan, taking into account various South-South cooperation issues in the National Development Strategy of the Republic of Tajikistan for the period up to 2030, which is the main document including the implementation of development goals and increasing green investment contributes in improvement of social and environmental sustainability; provide sustainable alternatives livelihoods for people.

***Keywords:*** South-South cooperation, Tajikistan, SDGs

## Introduction

As we know, in 1978, the United Nations established the unit for South-South Cooperation (SSC) to promote South-South trade and collaboration within its agencies and guided by the principles of respect for national ownership independence, equality, non-conditionality, non-interference in domestic affairs and mutual benefit. SSC is a tool used by governments, international organizations, academics, social partners, civil society and the private sector to collaborate and share knowledge, skills, expertise, and good practices in decent work and lifelong learning approaches that are both effective and sustainable. SSC is a manifestation of solidarity among peoples and countries of the South that contributes to their national well-being, their strengthening of national and collective self-reliance and the attainment of internationally agreed development goals outlined in the 2030 agenda for Sustainable Development Goals.

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## Good Practices in South-South Cooperation for Sustainable Development

The first few years of the Decade of Action for the achievement of the Sustainable Development Goals (SDGs) by 2030 have been fraught with unprecedented obstacles, including the COVID-19 pandemic, climate issues, and the conflict in Ukraine. In these crucial times, SSC can be fundamental for moving forward in the recovery from losses and furthering the global commitment of leaving no one behind. At the core of SSC is the understanding that exchanging knowledge, skills, experiences and lessons learned between and among countries of the global South serves as a powerful catalyst for development. Fulfilling its mandate and the commitments expressed in the BAPA+40 Outcome Document, the United Nations Office for South-South Cooperation works to record, systematize and facilitate access to development knowledge from and for the global South (UNOSSC, 2021).

While COVID-19 and other recent crises have challenged our ambitious global agenda, it has also shown the importance of global solidarity. South-South and triangular cooperation can help us stay on the right track towards the achievement of the 2030 Agenda. We believe that by disseminating actionable knowledge, the development stakeholders are likely to connect with the providers of the good practices to support their own efforts in adopting and scaling up innovative solutions and making strong collaborations that will advance the achievement of the SDGs. Through engagement in the discourse on South-South trade and investment opportunities, it becomes less challenging to promote regional policies and economic frameworks that facilitate regional trade and investment for the achievement of the SDGs.

## Sustainable Development Goals (SDGs)

Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations at the 70th session of the UN General Assembly in September 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs are integrated - they recognize that action in one area will affect outcomes in others and that development must balance social, economic and environmental sustainability.

Countries have committed to prioritize progress for those who are at the farthest end of the prosperity–poverty scale. The SDGs, among others, are designed to end poverty, hunger, AIDS, and discrimination against women and girls. Realizing the SDGs will need the collective efforts of the whole global community, investing their time, energy, expertise, and resources. It should be noted that the Republic of Tajikistan, taking into account its national obligations, has developed its own National Development Strategy for the period up to 2030. National Development Strategy of the Republic of Tajikistan for the period up to 2030

National Development Strategy (NDS) of the Republic of Tajikistan for the period up to 2030 (hereinafter - NDS-2030) was developed taking into consideration the Republic of Tajikistan's international commitments on the agenda of the 21st century and Sustainable Development Goals (SDGs) (Tajikistan, 2016). The main focus of SDGs is the concept of sustainable human development. Therefore, the complete eradication of poverty, replacement of unsustainable development practices and promotion of sustainable consumption and production patterns, and protection and sustainable use of natural resources to ensure further economic and social development are some of the primary objectives and crucial conditions for sustainable human development. National consultations on SDGs Agenda revealed the main priorities of the country's development after 2015 and its economic ideology, basic principles, and a set of measures, specified in NDS-2030 that are intended to implement these priorities. These priorities include education, healthcare, employment, inequality, corruption, food security and nutrition, good governance, social welfare, prevention of potential conflicts, energy security, environmental protection and management of demographic processes. Democratic governance in the country, the rule of law, the protection of rights and the expansion of human capacity will be the important priority issues. Strengthening social protection, ensuring access to safe food, improving water supply, sanitation and nutrition patterns, reducing all forms of social and gender inequality, as well as environmental sustainability will be considered as important areas in the performance of legislative, executive and judicial institutions. Ensuring country's sustainable development in the long term is impossible without the use of innovations in all social and economic spheres. The strategic benchmarks of sustainability must take into account the growth of investment and economic activity in the Central Asian region, the role of Central Asian countries in the region and the intensification of cooperation between countries in the framework of SSC. In the next decade, there comes a new technological, economic and political cycle of the world economy, which will slow the pace of global economic growth until the middle of the 21st century. We must be ready to adequately embrace this process and even today outline the areas of the future growth model and determine its qualitative features. The key factor to achieve sustainable development only be the human capital and its main core components - education and science - as the most important conditions for enhancing national security and encouraging national economic competitiveness.

The rich historical and cultural heritage of Tajikistan, its distinct nature with unique lakes, rare animals and plants, as well as the high mountains are important conditions for the development of tourism and increasing contribution of this sector to the country's GDP. Further development of hydropower capacity and implementation of regional transport and communication projects will allow Tajikistan to become a regional leader in the production and transmission of cheap and environmentally clean energy. They would also help expand the transit capabilities of the country, thereby making a worthy contribution to the sustainable development of developing Southern and Southern-Eastern countries of the Asian region, including Central Asian countries, and thereby demonstrate the benefits of South-South cooperation. SSC is required to contribute to bolstering both energy and transport sectors in Tajikistan, thereby bringing economic and social welfare dividends to the entire region.

## SDG Implementation in Tajikistan

The Republic of Tajikistan considers improving the quality, impact and effectiveness of all types of development cooperation crucial to ensure that Sustainable Development Goals (SDGs) are achieved. Since the beginning of 2020, the whole world has been hit by a series of crises. The pandemic has negatively affected the world economy, public budget, foreign trade, and activities of industrial and service provider enterprises. An unstable global political state has created a lot of uncertainty and triggered a cost-of-living crisis in many countries through abnormal hikes in food and fuel prices. The current global developments should provide the backdrop for analyzing trends at the national level. We have worked in a tense global economic and financial situation in the last few years. Despite the challenges we faced, we have taken a number of immediate actions in close collaboration with the donor community and civil society to prevent the consequences of the crisis and protect our economic security. Despite the negative impact of these factors, the immediate actions undertaken by the Government of the country made it possible to ensure the stability of macroeconomic indicators and maintain positive trends in improving the living standards of the population.

## Macroeconomic Performance of Tajikistan

The economy of Tajikistan grew by 4.5 per cent in 2020 and by 9.2 per cent in 2021. The GDP reached 82.5 billion Tajikistan Somoni (TJS) in 2020 and 98.2 billion TJS (USD 8.68 billion) in 2021. During this period industrial production increased by 9.7 per cent in 2020 and by 22 per cent in 2021, agriculture by 6.6 per cent in 2020 and by 8.8 per cent in 2021, foreign trade by 0.8 per cent in 2020 and 9.5 per cent in 2021, including export by 19.8 per cent in 2020 and 52.6 per cent in 2021. These factors created a foundation for the country's economic growth. In particular, food production increased by 28.3 per cent in 2020 and by 47 per cent in 2021, which facilitated a greater supply of local products in the domestic market. Also, the country is grateful for the financial support provided by the international financial institution as grants and preferential loans of more than USD 384.3 billion, directed towards the prevention and reduction of the economic and social impact of the COVID -19 pandemic on the country (Government of the Republic of Tajikistan, 2021)

The government of the Republic of Tajikistan is committed to continue collaboration towards building back better from the crisis by paying much attention to the Sustainable Development Agenda, including Sustainable Development Goals (SDGs). In 2018, the Republic of Tajikistan, one of the pilot nations, presented the UN Headquarters with its National Progress Report on the Sustainable Development Goals (SDGs). According to the Rapid Integrated Assessment[1], 78 per cent of SDGs targets are reflected in the national, sectoral and local development strategic documents of the Republic of Tajikistan.[2]

## Green Energy to Tajikistan

Also, the Republic of Tajikistan has ratified the Paris Agreement on Climate Change and set ambitious clean energy goals, including coal phase-out policies and renewable energy and energy efficiency targets. Tajikistan is already a rather green country since 99.6 per cent of the power it produces is generated by hydro, renewable and green energy. Given its 16 trillion KWT of solar energy capacity as well as wind energy the Government of the Tajikistan will pay particular attention to sustainable economic development through the increased deployment of modern renewable energy and energy-efficient technologies to improve social and environmental sustainability.

## SDG 5 – Gender Equality

To ensure SDG 5 – Gender Equality, the Government of the Republic of Tajikistan has provided favourable conditions for the effective engagement of women and girls in social and economic spheres, including science and education, civil service, agriculture, industry, transport, energy, communications, construction and architecture, banking, law enforcement agencies and even Armed Forces of the country.

Currently, women and girls make up almost 68 per cent of the healthcare staff, more than 73 per cent of education workers, 27 per cent of scientists and more than 23 per cent of agriculture staff. In this regard, and with a view to achieving the objectives of the National Development Strategy of the Republic of Tajikistan for the period up to 2030, which envisages increasing the number of Civil Servants by up to 30 per cent and the number of female leaders by up to 25 per cent. A State programme on training, selection and appointment of talented woman leaders for 2023-2030 has been adopted.

## Second Voluntary National Performance Review (VNR)

A focused and long-lasting multi-stakeholder engagement forum has been formed to address the issue of SDG finance in order to guarantee continued SDG implementation. The national, sectoral and local development strategic documents of the Republic of Tajikistan enable stakeholders to discuss the socio-economic implications of COVID–19 in the context of achieving national SDG targets and agree on a meaningful policy response.

The Republic of Tajikistan is undertaking the second voluntary national review (VNR) which will be officially submitted in June 2023 at the high-level political forum (HLPF) that meets under the auspices of ECOSOC. The VNR seeks to strengthen policies and institutions to mobilize multi- stakeholder partnerships for achieving the Sustainable Development Goals (SDGs) as well as facilitate the sharing, of experiences, including successes, challenges and lessons learned in this process.

As mentioned, the COVID- 19 crisis was a major reversal for countries to realize Agenda 2030. The current conflict in Ukraine has further stalled recovery and is already having a spill over effect on global food and energy supplies, which has resulted in increased prices. Global financial markets have seen an increase in volatility. Access to financial capital is becoming even harder for developing countries as they continue to struggle with a narrow fiscal space amidst rising debts. There are also indications that official development assistance (ODA) may fall. In the current environment, national development will require governments to tap into different and innovative types of financing both domestic and international. South-South cooperation is one such modality available to developing countries.

## Conclusion and Recommendations

The government of Tajikistan recognises the value of SSC, which it details in its national plan. This will facilitate cooperation in all perspectives; it could be trade, development assistance, political support, technological transfer, and cultural exchange. Tajikistan believes in the promotion of SSC. In this regard, we would like to suggest relevant proposals on strengthening the joint efforts to overcome mentioned crises to SDGs.

- Ensuring the simplification of trade procedures among the countries worldwide;
- Increasing green investment contributes in the improvement of social and environmental sustainability, provides sustainable alternative livelihoods for people;
- Creating conditions for free competition in the domestic labour market;
- Providing incentives for businesses to create jobs and productive employment of labour resources;
- Ensuring the adequacy of vocational education to the needs of the labour market and the economy;
- Provide economic and social support for self – employed; and
- Diversify and improve the quality of labour migration processes
- We must participate in enhancing global cooperation to recover our national economies from global crisis consequences and to achieve SDGs.

## Endnotes

1. The Rapid Integrated Assessment (RIA) Tool aims to support countries in mainstreaming the Sustainable Development Goals (SDGs) into national and subnational planning, by helping assess their readiness for SDG implementation https://www.undp.org/sites/g/files/zskgke326/files/publications/RIA%20Tool%20-26.12.201-Final_0.pdf
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# Sustainability Initiative of South-South Cooperation and East Africa Countries

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***Abstract:*** This paper discusses the impact of South-South Cooperation in African Countries in the matter of development in sectors of education, digital economy and opportunity for health cooperation. South-South Cooperation is a broad framework for collaboration and exchange among countries of the South in the political, economic, social, cultural, environmental and technical domains. Apart from examples of the positive effects of South-South and East-South collaboration on several aspects of African development, the studies illustrate the achievements of some East African nations. Some case studies highlight the existing cooperation between East African countries and South-South cooperation countries such as Tanzania and Brazil cooperation with the ILO, Kenya and India and Uganda and China.

***Keywords:*** South-South Cooperation, East Africa, development assistance.

## Introduction

The value of South-South Cooperation (SSC)is that it encourages nations to find their own solutions to development issues rather than waiting for outside help. SSC has promoted a large number of knowledge and expertise exchanges through programmes, projects and initiatives that have helped solve specific problems in the countries of the Global South. The global development landscape has fundamentally changed allowing for new forms of partnership and cooperation to flourish. Traditionally aid flowed from the developed North to the developing South. Now developing countries are building economic and other cooperation relationships with each other at an unprecedented rate. South-South Cooperation represents the exchange of knowledge and resources between governments, organisations and individuals in developing countries or those from what is known as the Global South (UNDP, 2009). This

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may be based on individual or shared development objectives. North-South-South Cooperation or Triangular Cooperation describes two or more developing countries collaborating with a third developed country which contributes knowledge, technology and resources.

## South-South Cooperation in Education

The needs for the strong and effective education systems to help stabilize and boost economic growth by relying on native skilled man powers produced within the Nations are far from being neglect. The cooperation has offered extensive skill sharing to ensure that the aforementioned growth persists and flourishes (UNESCO, 2017).

## Digital Economy, South-South Cooperation and Sustainable Development

It is important that developing nations, and particularly extremely underdeveloped countries, should not be ignored in programmes that prioritise technological collaboration. So, what is and what will be the impact of the digital economy on the Sustainable Development Goals (SDGs)? Economic development is a cornerstone of the achievement of the 2030 Agenda for Sustainable Development. It may well be deeply facilitated by the developing world's burgeoning technology sector, particularly by small- and medium-sized enterprises engaging in the platform economy and digital trade. The digitalization of services, including via smart contract and blockchain, a distributed ledger technology, equally offers an opportunity for underprivileged populations to access and participate in the global (digital) economy.

To enhance the provision of both, hard and soft infrastructures are key to increase the pace of development and attain sustainable growth. These systems are targeting the preservation of economic patterns against harsh economic conditions by responding to the impacts of climate change on economic systems and enhancing the resilience and effective flow of finance.

## Opportunity for Health Cooperation in South-South Cooperation

South-South cooperation is a manifestation of solidarity among peoples and countries of the South that contributes to their national well-being, their national and collective self-reliance and the attainment of internationally agreed development goals, including the 2030 Agenda for Sustainable Development. As we move towards a post-pandemic reality and recovery, South-South cooperation will contribute to breaking the cycle of poverty, instability and development inequalities while promoting national development strategies (WHO, 2019).

The urgent need for solutions to COVID-19 has opened a window of opportunity for a South-South cooperation initiative in health and related areas. Within a regional health initiative, collective research and development efforts in medicine should be the top priority in the coming years. Any medicines or medical discoveries which are important for the survival of people need to be shared widely and its access made available to all, especially to the most vulnerable countries and communities.

## Case Study of Tanzania

Creating good working conditions is a must if a country is seeking to elevate the level of production and value additions. All forms of employment creation sections being manufacturing, or services provisions are required to be well equipped at policy level to create a conducive and protect the rights of workers as this will stimulate productivity.

ILO supports South-South Cooperation to promote decent work in the cotton sector in Tanzania ILO, Brazil and Tanzania teamed up to share experiences and best practices to enhance the national capacity to better respond to challenges in the cotton sector (ILO, 2016). SSC initiative strengthens cooperation among the countries and paves the way for articulating several successful Brazilian experiences of eradication of child labour, productive inclusion and promotion of youth employment in the cotton production sector.

Factors impeding the cotton sector from achieving its full potential include decent work deficits. Cotton growing is labour intensive and many cotton growers employ children in their farms thus, contributing to the Tanzania's high child labour rate, I which is currently 28.8 per cent with nearly 92 per cent of them working in the agriculture sector. In Tanzania, the agricultural sector employs over 66 per cent of the labour force but its contribution to GDP declined from 50 per cent in 1987 to 28 per cent in 2010. Therefore, there is a need to invest in the sector to stimulate the creation of decent & quality jobs and boost productivity. The sector, however, is foreseen to experience growth of nearly 10 per cent by the year 2030 (ILO,2016).

Moreover, China and Tanzania have formed an agreement that aimed at stimulating the growth of the agricultural sector through the establishment of an agricultural Centre. As currently, the centre plays a significant role in connecting the platform of Chinese agricultural enterprises and makes it a global opportunity with the moto "Go Global". This is said to be attracting many of Chinese enterprises to invest in the agriculture sector in Tanzania. Also, the company has established "China Agricultural Products Tanzania Exhibition Centre" to help Chinese enterprises build African markets and establish an integrated service platform for Tanzanian agricultural development.

## South-South Cooperation Project between Uganda and China

A highly successful South-South Cooperation (SSC) project between China and Uganda, supported by the Food and Agriculture Organization (FAO) of the United Nations, moved towards its latest stage today as a Chinese expert team prepared to deploy to Uganda to provide technical support for the implementation of Phase III, which is now being launched. Phases I and II were carried out under a cost-sharing arrangement between the Governments of China and Uganda and FAO. China provided financial resources and technical support, such as hands-on trainings and on-site demonstrations that enabled farmers in Uganda to improve the technologies used to produce rice, foxtail millet, maize, grapes, apples and cherry tomatoes as well as for animal reproduction (e.g. goats, pigs, sheep and fish). Uganda provided in-kind contributions, including lodging, transportation, medical services and health insurance for the visiting experts, while FAO provided technical support and backstopping, as well as project supervision and monitoring.

This new three-year phase comes after an agreement signed in June of this year, under which Uganda agreed to provide nearly USD10 million for the project. It is one of the most significant contributions of its kind by a Least Developed Country beneficiary nation for an SSC project to be implemented under the FAO-China SSC Programme. The first two phases – focused on crop and animal production – yielded dramatic results, including a quadrupling of rice production per hectare in the project areas, as well as increased milk production. This marked a break with years of low productivity, affecting the food security and livelihoods of more than 70 per cent of Ugandans who depend on subsistence agriculture.

## Cultural Cooperation between India and Kenya

The cultural cooperation Agreement between India and Kenya was signed in 1981. Since 2016, under the sponsorship of Indian Council for Cultural Relations (ICCR), Indian artists are participating as adjudicators for the Kenya Music Festival. Mission distributed grants-in-aid from the Ministry of Culture of India to Kenyan organizations promoting Indian culture. To showcase our rich cultural heritage, South Indian Cultural Festival was organized in May 2019. International Day of Yoga was celebrated across ten counties in collaboration with County Governments. There are about a thousand Kenyan students currently studying in fifty Institutions throughout India. In 2018-2019, over 400 Kenyan nationals availed of training and scholarship programmes in various fields under the Indian Technical & Economic Cooperation (ITEC) Programme; India-Africa Forum Summit and Aid to Africa Programme. An MoU on the establishment of an ICCR Chair on Indian studies between ICCR and the University of Nairobi was signed in March 2015.

## India's Development Assistance to Kenya

In addition, that India offers development assistance to Kenya in the form of loans and credit. This included a loan of Rs. 50 million to the Government of Kenya in 1982 and Lines of Credit by EXIM Bank to Industrial Development Bank

Capital Ltd. An Agreement on extension of a Line of Credit of US$ 61.6 million by EXIM Bank of India to Kenya for utilization in the power transmission sector was signed during the visit of PM Raila Odinga to India in November 2010. A loan agreement to extend lines of credit of US$ 15 million (as the first tranche out of US$ 30 million) to IDB Capital Limited for the development of SMEs was signed in July 2016.

## Conclusion

The question of what constitutes SSC is central to bilateral cooperation agreements. For instance, what be direct commerce between Kenyan and Ugandan enterprises should be considered as SSC, or bilateral trade. UN agencies or other donors filled the shortfall, undermining the SSC spirit. In the past, higher education in East Africa was based on a reciprocal system, shared across three countries. Makerere University College in Uganda offered courses in education, medicine and forestry. Nairobi Royal College in Kenya focused on engineering, architecture and sciences. Dar es Salaam College in Tanzania offered courses in law and social sciences. Students from across the region could apply to any college. Fees and allowances were the same.

The paper also highlights the importance of India's development cooperation with Kenya. India's development cooperation is under the framework of development cooperation (grant, concessional finance, capacity building, trade and technology). ITEC programme is one of the major activities. The professionals and people from developing countries are offered unique training courses, both civilian and defence, in different centres of excellence in India which empower them with not just professional skills, but prepare them for an increasingly globalized world. Therefore, there is a need for enhanced South-South cooperation should be increased in the education sector.

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# India-Africa Investment, Trade and Economic Cooperation: Challenges and Perspective

**Rambang Tot Deng***

***Abstract:*** The India-Africa trade, investment, and economic cooperation is an instrument or forum promoted by the Indian Government to promote meaningful economic and commercial ties between India and Africa. This initiative provides Indian companies to join African countries' markets and resources seeking that motivate Indian companies to invest in Africa. It recognizes the importance of the African continent for India's economic growth and development and aims to strengthen the existing bonds of friendship between India and Africa. For this reason, there has already been a series of initiatives such as the India-Africa Forum Summit, the India-Africa Trade and Investment Forum, and the India-Africa Business Forum. The goal is to create an environment where Indian and African businesses can collaborate and develop mutually beneficial economic partnerships. This initiative seeks to promote India-Africa trade, investment, and economic cooperation in order to foster sustainable economic growth and development in both countries.

***Keywords:*** Trade and Investment, Human Capital and Skills, Public and Private Partnership.

## Introduction

The Indian government throughout history has undertaken serious decisions and forums which enable both India and Africa to create a safe business environment that help to promote strong bilateral relations and investment opportunity with African countries. The objective of this paper is to examine the strong and tight relationship between India and Africa in order to promote a strong partnership to mutually boost their economies. Therefore, the India-Africa trade, investment and economic cooperation is an effort of the Indian Government to strengthen the economic ties between India and African countries. Trade between India and African

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countries has been growing at a rapid pace in the last decade, registering a double-digit growth during the period. The trade between India and Africa has been estimated to be around US$ 82.53 billion in 2021-22, increasing from US$ 61.94 billion in 2011-12. India's exports to Africa have grown from US$ 22.63 billion in 2011-12 to USD 37.88 billion in 2021-22. India's imports from Africa have increased from US$ 39.31 billion in 2011-12 to US$ 44.64billion in 2021-22.

India has also emerged as the 5th largest investor in Africa, investing over USD 54 billion in the continent. India's investments are mainly concentrated in natural resources, manufacturing and infrastructure sectors. India-Africa trade, investment and economic cooperation have been further strengthened by the India-Africa Forum Summit (IAFS) process, launched in 2008. The IAFS has provided a platform for India and African countries to discuss and explore opportunities for enhanced economic cooperation. The latest India-Africa Forum Summit was held in October 2015 in New Delhi. The summit provided a platform for India to reaffirm its commitment to the economic development of Africa and to reaffirm its commitment to the economic development of Africa. The Indian Government has also launched a number of initiatives such as the India-Africa Development Fund and the India-Africa Health Initiative to further strengthen India-Africa economic cooperation (Chaturvedi et al., 2015)

## India-Africa Trade, Foreign Direct Investment and Economic Cooperation

The India-Africa trade, investment and economic cooperation have been guided by the strong historical relations in which India has been in solidarity with African countries before and after the independence. Between 1996 and 2016, FDI between India and Africa produced about USD 54 billion. Therefore, this paper will also examine the relationship between India and Africa in the areas of investment, trade and economic cooperation which has shown some important stories of the development partnership between India and Africa through the philosophy of South-South Cooperation in the Global South. The investment, trade and economic cooperation between India and Africa was initiated in order to help African countries emerge from poverty rather than depending on humanitarian assistance or loans from donor countries. Today, India and Africa have developed strong relations which will influence India of holding G20 Presidency in which most African countries could join in order to promote South- South Cooperation.

## India-Africa Trade

India and Africa have a long history of trade. India has been trading with Africa for centuries and is now one of the most important trading partners of Africa. India exports a variety of goods to Africa, including machinery, automobiles, chemicals, textiles, and agricultural products. In return, Africa exports to India a range of commodities, such as minerals, metals, oil, and natural gas. India is also investing in Africa, particularly in infrastructure and energy projects. In addition, India is providing assistance to African countries in areas such as healthcare, education, and social welfare. This India-Africa Trade helps in promoting labours workforces who have migrated from India to Africa and from Africa to India. These imports and exports of goods help many countries to improve their economies and GDP in the world.

Therefore, India and Africa's cooperation in the areas of trade, investment and economic cooperation is currently estimated to be about USD 72 billion which has transformed many sectors in the African continent. Most of these projects have been supported by the government of India through the Line of credits (LoC). Most of this trade and investment is very important since it has increased the GDP of most of the African countries since 2001 and 2008 and stood at $68.46 billion (Afreximbank and Exim, 2018). India has been exporting so many products which have increased from USD 2.69 billion to USD 37.88 billion in 2021 which has shown significant improvement (see table 1).

## Foreign Direct Investment and Economic Cooperation

India-Africa foreign direct investment and economic cooperation are integral parts of India's foreign policy. India has been actively engaging with African countries to promote economic cooperation, trade and investments. India has provided concessional lines of credit to African countries for infrastructure, industrial and human resource development. It has also provided financial and technical assistance to African countries for the implementation of various development projects.

The foreign direct investment and economic cooperation have great effects on both India and Africa's economy due to location which provides economic advantage (e.g. size of markets, transport and other infrastructure costs). India has also participated in a number of joint ventures with African countries, including the setting up of Special Economic Zones (SEZs) and export processing zones (EPZs). India has also signed several agreements to promote investment, trade and economic cooperation with African countries. India has also signed agreements for the training of African professionals in India through the Indian Technical and Economic Cooperation (ITEC), and for the mutual recognition of professional qualifications. India has also taken part in trade fairs and exhibitions in African countries and is a major participant in the India-Africa Forum Summit (Beri, 2014).

The foreign direct investment has helped the domestic corporate sector through better access to global markets and networks, skills and technologies. It also enables to share research and development efforts and its outcomes. This process has helped India to invest more in Africa in order to establish a brand image as a part of corporate strategy and utilization of raw materials of host countries. Indian

**Table 1 India-Africa Trade in 2001-2021 USD billion**

| Year | India's exports to Africa | India's imports from Africa |
|---|---|---|
| 2001 | 2.69 | 2.42 |
| 2002 | 2.91 | 3.28 |
| 2003 | 3.52 | 3.23 |
| 2004 | 4.56 | 3.36 |
| 2005 | 6.39 | 4.90 |
| 2006 | 9.11 | 12.67 |
| 2007 | 12.09 | 18.07 |
| 2008 | 14.92 | 26.11 |
| 2009 | 12.85 | 20.74 |
| 2010 | 17.40 | 30.80 |
| 2011 | 22.63 | 39.31 |
| 2012 | 27.31 | 43.02 |
| 2013 | 34.08 | 39.42 |
| 2014 | 34.63 | 40.36 |
| 2015 | 25.64 | 33.78 |
| 2016 | 22.61 | 26.14 |
| 2017 | 24.36 | 35.78 |
| 2018 | 27.01 | 50.75 |
| 2019 | 29.59 | 38.77 |
| 2020 | 26.05 | 27.49 |
| 2021 | 37.88 | 44.64 |

***Source:*** WITS (2023)

companies made overseas investment primarily motivated by either resource seeking or market seeking or technology seeking interests. Indian investments in Africa are mainly resource and market seeking types (Sadik *et al.*, 2001).

There has been a massive increase in Outward Foreign Direct Investment (OFDI) from India in the last 15 years. According to the data released by the Ministry of Finance, the government of India, OFDI increased from USD 1.40 billion in 2001-02 to USD 15.2 billion in 2021-22 (Table 2).

## Challenges and Perspectives

- In the end, there are also a few challenges and perspectives to look into in order to address these future challenges between India and Africa to strengthen the strong relations and find a way to explore the potential areas in Africa through South- South Cooperation.
- Some of the difficulties in trade, investment, and the economy between India and Africa in the Global South are shown by some of the instances mentioned in this paper: Access to

finance remains a major challenge for businesses in India and Africa. There is a lack of access to both domestic and international capital, especially for small and medium enterprises, hindering their ability to invest in foreign markets.

- Poor infrastructure is a major obstacle to trade, investment and economic cooperation between India and Africa. Poor transportation and communication networks make it difficult for businesses to operate in both Africa and India.
- Regulatory barriers, such as high tariffs, non-tariff barriers and cumbersome bureaucracy, can make it difficult for businesses to conduct

**Table 2: Total Outward FDI from India and India's Share in Developing Economies' Total Outflow**

| Year | Outward FDI from India (USD billion) | Total O-FDI in Developing Economies (USD billion) | Share of India in Developing Economies (in Per centage) |
|---|---|---|---|
| 2001 | 1.40 | 54.94 | 2.54 |
| 2002 | 1.68 | 36.37 | 4.61 |
| 2003 | 1.88 | 35.71 | 5.25 |
| 2004 | 2.18 | 107.38 | 2.03 |
| 2005 | 2.99 | 103.15 | 2.89 |
| 2006 | 14.28 | 189.00 | 7.56 |
| 2007 | 17.23 | 256.30 | 6.72 |
| 2008 | 21.14 | 257.06 | 8.22 |
| 2009 | 16.06 | 231.14 | 6.95 |
| 2010 | 15.95 | 337.03 | 4.73 |
| 2011 | 12.46 | 357.96 | 3.48 |
| 2012 | 8.49 | 333.27 | 2.55 |
| 2013 | 1.68 | 385.56 | 0.44 |
| 2014 | 11.78 | 424.51 | 2.78 |
| 2015 | 7.57 | 383.57 | 1.97 |
| 2016 | 5.07 | 386.04 | 1.31 |
| 2017 | 11.14 | 447.87 | 2.49 |
| 2018 | 11.45 | 376.09 | 3.04 |
| 2019 | 13.14 | 387.05 | 3.40 |
| 2020 | 11.11 | 372.28 | 2.98 |
| 2021 | 15.52 | 438.38 | 3.54 |

***Source:*** various issues of World Investment Reports (UNCTAD).

trade and investment activities between India and Africa.

- Businesses in India and Africa face limited market access in each other's countries. This can limit their ability to benefit from the potential of both markets.
- Both India and Africa have a shortage of skilled workers, making it difficult for businesses to take advantage of the potential opportunities that exist in both markets.
- Cultural differences between India and Africa can make it difficult for businesses to understand and work with each other. This can make it difficult to develop strong economic relationships.
- India and Africa have increasingly grown closer in recent years, with trade, investment and economic cooperation becoming increasingly important to both parties. India has been looking to invest in African markets and build strong economic ties with African countries. Examples of this collaboration include: India investing in infrastructure projects in Ethiopia, Sudan, and Nigeria.
- India has been training Africans to improve the continent that has been engulfed with poverty in order to help and boost the economic prosperity of African countries in all sectors.
- India is providing loans to African states to help fund development projects and joint ventures between Indian and African companies.
- India is setting up technical support centers in African countries to train personnel in IT and other skills.
- India has increased its involvement in African agricultural initiatives to benefit both nations and India creating a market for African exports, including agricultural produce.
- India has created a platform for African students to study in India.
- India has also taken healthcare initiatives in African countries.

## Conclusion

This paper objective is to identify the factors that have motivated India to invest in Africa. There is no denying that language, culture and colonization linkage continue to strengthen the bilateral relations base on South-South Cooperation. The presence of diaspora does play an important role in attracting trade and investment. Economic cooperation has made it possible for India to increase the number of goods that it ships to African nations, while at the same time, it has been possible for African countries to have access to Indian technology, resources and finance. These factors have led to both nations seeing higher rates of economic growth and development, in addition to improvements in their political and social relations as a consequence of the situation.

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# India's Diplomacy of Development

**Ambassador Anil Trigunayat***

One of the key objectives of Foreign policy is national development which all countries strive for in their international discourse. Often in the North-South matrix, the developmental assistance had certain strings attached that often served to get the former in pound of flesh from the target partner, whenever needed. But then there is an Indian model which is driven by the fundamental tenet of 'Vasudhaiv Kutumbakam' – encompassing the whole world and working for the capacity building and development of the under-privileged and underdeveloped that account for the majority of the South.

Having worked for the liberation of a large number of countries after her own independence, India in 1964 embarked on assisting the developing world across continents under the rubric of the Indian Technical and Economic Cooperation (ITEC) and several other initiatives and scholarship and grant and investment schemes. The founding principle was 'Share and Care' and help others climb the developmental ladder while standing up for their cause at the global platforms and labyrinthine negotiations for Climate Change or for that matter at Doha Developmental Rounds of the WTO during the past six decades. Whenever, New Delhi sought reforms of the multilateral organizations the overall interests of the developing world have been at the forefront.

Even as India chairs the G20, developmental cooperation is a key driver that encompasses the priority for SDGs to socio-economic development to debt relief and restructuring to robust health and digital transformational initiatives so very necessary after the devastation caused by the pandemic and the Russia-Ukraine war. Equity and Justice have been the driving force for Indian outreach and developmental cooperation. India's 'Vaccine Maitri' as against the 'Vaccine apartheid 'of many is a statement by itself. India has emerged as a first responder in disasters natural or manmade.

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The recent 'Voice of the South Summit' by the Indian Prime Minister to ascertain the priorities of the developing world attest to the inclusive and participatory approach of India. PM Modi's 4R matrix of 'Respond, Recognize, Respect and Reform' urging them to respond to the priorities of the Global South by framing an inclusive and balanced international agenda, clearly underscores the urgent need to address the long pending issues.

India's developmental cooperation assistance, especially in capacity building is indeed unique in its depth and expanse with over 200 high-quality prestigious institutes providing training to thousands of representatives from our development partners which is highly appreciated by the host countries. India's billions of dollars in Lines of Credit and grants for diversified projects have helped rebuild infrastructure and create local capacities employment and a growth story. Pan Africa e-Network upgraded to e-Vidya Bharati and e-Arogya Bharati and Solar mamas reflect the tune of solidary across the African continent. During the India-Africa Forum Summits, provision of thousands of fully funded Indian scholarships has continued to expand and empower the African youth.

Over 13 leaders in different African countries have been trained in India and hold their Indian experience in high regard. This is true across the 161 countries from Asia to Africa, and Latin America to Eastern Europe to whom New Delhi extends the facility in rendering capacity-building assistance.

My first brush with the ITEC and its training modules happened when I was posted to Mongolia in the early 1990s when the Soviet Union was disintegrating and Mongolians were trying to find their democracy and depth. We only were given two scholarships. But we had a politico-religious leader in Ambassador Rinpoche Kushok Bakula – a Buddhist monk who was highly revered in the country. When I approached him with a proposal that as the Mongols go through this political transition we must help in their capacity building for which many more scholarships and training programmes even in Mongolia if possible will be needed. He wrote to the Indian PM Mr Gujral at the time and we were authorised to nominate as many as we could. This changed the whole dynamic and although India was seen as a spiritual friend and third neighbour (after immediate Russia and China) the initiative created a tremendous reservoir of goodwill among the young and aspiring Mongols. It was also the first country out of the neighbourhood where we extended a $100 million Line of credit which went a long way in creating capacities, infrastructure and assisted in trade and investment. We have not looked back since then as they continue to become Ambassadors for India and force multipliers.

Another interesting instance I recall was when I called on the State Secretary in Latvia (a European country) who after the meeting escorted me through the corridor and remarked that in every single room of the foreign office, you will find an India-trained diplomat. Imagine the implicit effectiveness. The same evening in the hotel I met a correspondent from the Financial Times to whom I mentioned this and he was keen to interview me on the story but I said it will be better if he spoke to the Latvians and their experiences and arranged his meetings the next day and which turned out to be an excellent coverage from our point of view.

When I arrived in war-torn Libya, our chips were down as the average Libyan was disgruntled with our UNSC vote when we abstained on US and NATO military action. It was projected as India supporting Gaddafi and not the revolutionaries. Grassroots dissatisfaction is very difficult to handle and overcome, but there again I was fortunate to be helped by many who were exposed to India. One of them was my friend Ali Zeidan from JNU days in the late 1970s and early 80s. Fortunately, he was elected and appointed the Prime Minister and his support to rectify the perpetrated impression against India by Western countries was critical in deflecting. Besides I was also able to offer a large number of slots to Libyans to go and study and train in India under various schemes.

In Jordan too my friend Faisal al Rfouh from JNU was a Minister and well-known academician with extensive contacts and helped us revive and reactivate various initiatives and helped in the outreach for enriching bilateral ties. I also came across something called a "Roti club' which had more than 3000 members who had an Indian connection and were highly influential people. One can imagine the clout compounding such people and informal organisations can provide to an Ambassador or a diplomatic mission.

Traditionally, we have a large number of African and Arab students in India who come under government programmes as well as self-funding mechanisms. It is imperative that they feel at home in India and not subjected to an unpleasant experience for which the whole of government and society approach, as well as screened institutions need to be evolved. In times to come these students will be the active proponents or deterrents for enriching ties with India. Moreover, mere organisation by our missions of the ITEC Day will not be adequate in keeping in touch with them. A concerted effort and outreach is essential on a regular basis.

India's developmental cooperation is its most potent soft power credential which must be evolved and fashioned as per the needs and requirements of our developmental partners.

# Voice of Global South Summit

Amit Arora*

India hosted the Voice of Global South Summit on 12-13 January 2023. The summit was one of the biggest virtual gathering of leaders and Ministers from the Global South. The deliberations had participation of more than 125 countries.

Through this conference, India assessed the developmental priorities of developing countries which are not represented in the present G20 forum. The primary aim was to understand what the Global South expected India to accomplish through its current Presidency. The main idea behind the conference was to keep developing countries involved in the G20 initiative.

Twenty-nine nations from Latin America & the Caribbean, forty-seven from Africa, seven from Europe, thirty-one from Asia and eleven nations from Oceania took part in the deliberation.

The summit hosted ten sessions held on 12-13 January 2023. Both the inaugural and closing sessions were at the Head of State, hosted by Hon'ble Prime Minister Shri Narendra Modi. The theme of the inaugural session was "Voice of Global South – for Human-Centric Development" and that of closing session was "Unity of Voice, Unity of Purpose".

Eight ministerial level thematic sessions had the following themes:

- Finance Ministers' Session on: Financing People-Centric Development
- Environment Ministers' Session on: Balancing Growth with Environment-Friendly Lifestyles (LiFE)
- Foreign Ministers' Session on: Priorities of the Global South – Ensuring a Conducive Environment
- Energy Ministers' Session on: Energy Security and Development- Roadmap to Prosperity
- Health Ministers' Session on: Cooperation to Build Resilient Healthcare Systems
- Education Ministers' Session on: Human Resource Development and Capacity Building

* GDC Manager, Global Development Centre at RIS

- Commerce and Trade Ministers' Session on: Developing Synergies in the Global South – Trade, Technology, Tourism and Resources
- Foreign Ministers' Session on: G20: Suggestions for India's Presidency

The discussions helped in deliberating upon the priorities of the Global South. In the opening remarks, the Prime Minister of India emphasized on the need for providing space to the voices of Global South and democratization of the established global governance institutions based on the evolving world order. He reiterated that countries of Global South are looking for globalization which brings prosperity and well-being to humanity. Prime Minister reassured the participants that views and aspirations of Global South would be raised appropriately during the current G20 Presidency of India.

PM further reiterated India's position of helping the countries of the South by sharing its developmental experience. He pitched for a greater role of developing countries in shaping humanity's common future with global agenda of *Respond*, *Recognize*, *Respect* and *Reform*: The focus should be on human-centric development, which should be equitable for all geographies. In this report there is need to:
respond to the priorities of the Global South by framing an inclusive and balanced international agenda; recognize that the principle of 'Common but Differentiated Responsibilities' applies to all global challenges; respect sovereignty of all nations, rule of law and peaceful resolution of differences and disputes; and reform international institutions, including the United Nations, to make them more relevant.

President Filipe Nyusi of Mozambique laid emphasis on having dedicated efforts to bring global attention on promoting developing world's interests. Nigeria's President Muhammadu Buhari brought to the fore the issue of huge debt burden that many nations are facing. This had derailed their respective development plans. The other leaders also underlined that countries of Global South should present "a common agenda" to highlight "our collective demands to the Global North".

Prime Minister Sheikh Hasina, on Bangladesh, showcased a bouquet of six proposals; maintaining world peace and stability; creating a new paradigm to tackle inequality holistically in accord with SDGs; special financing for the most vulnerable nations; bridging digital divides; ensuring that all human beings, including Myanmar's Rohingya refugees sheltered in Bangladesh, have an equal right to lead a decent life; and strengthening South-South and tripartite cooperation to ensure global human development.

Prime Minister Narendra Modi announced five new proposals during the conference:

- *Arogya Maitri* (Wellness Friendship) – Under the project, India would offer necessary medical supplies to countries of the developing world impacted by natural disasters or humanitarian crises.
- Global South Centre of Excellence – Realising that there is a scope of learning for the Global South from each other's development experiences, India would establish the CoE. The CoE would carry out research work on development

solutions or best-practices of southern countries, which can be scaled up and adopted by other countries from Global South.

- Global South Science and Technology Initiative – India has achieved substantial success in the field of space technology and nuclear energy. Under the initiative, India would share its expertise with other developing countries.
- Global South Young Diplomats Forum – The forum would help young officers of respective foreign ministries connect amongst each other.
- Global South Scholarships – India would provide scholarships to students of developing countries to pursue higher education in India.

The discussions had some definite results, with the following broad agreement:

- South-South Cooperation is important and there is an urgent need of formalizing global agenda jointly.
- There would be special focus on traditional medicine, with impetus to creating regional centres for healthcare. Emphasis will be given to deployment of digital health solutions.
- Emphasis should be on use of technology for distance education and sharing of best practices in professional training so that all stakeholders can be benefitted.
- There should be greater emphasis on deployment of digital public goods in developing countries to increase financial inclusion.
- Further focus should be on investing in connectivity infrastructure.
- It is strongly felt that developed world has not met its commitment on climate finance and technology.
- Sustainability calls for the significant management of emissions in production and shedding away 'use and throw consumption', with focus on environment and sustainable styles.

Over the years, India has given voice to the aspirations of the Global South. The main aim of this digital conference was to understand in detail the needs of the southern countries at the micro level. It also attempted to gauge the innovative ideas and suggestions of the top leadership from different countries.

# Delhi Process VI: Exploring New Development Paradigms and Growth Strategies: Partnerships in Times of Transition and Contestations

Rituparna Banerjee*

Over the years RIS has spearheaded the efforts of bringing all stakeholders together to deliberate on South-South Cooperation (SSC), instruments of Triangular Cooperation (TrC) as well as on theoretical and empirical frameworks of SSC and TrC for a better understanding of the global development architecture. As is well known, RIS initiated the Delhi Process of conferences to bring together the academic community, policymakers, practitioners, civil society and other stakeholders including various international development cooperation agencies.

The first conference, that took place in 2013 provided an international platform for such a deliberation and generated a balanced and a well-informed debate. Subsequent conferences (2016, 2017, 2018 and 2019), highlighted the plurality and diversity of SSC, nature of cooperation among the Global North and the Global South and its linkages with Sustainable Development Goals (SDGs). Deliberations during these conferences helped in contributing significantly to the Second United Nations High-Level Conference on South-South Cooperation (BAPA+40). Over the years Delhi Process has become an important instrument for providing the theoretical and empirical grounding to assert the 'uniqueness' of SSC.The economic challenges in recent years have become formidable. Fragmented approaches on development, missing local connect and gradual weakening of the multilateral world order have not only resulted in inequities in access to resources but also in reversing the progress on SDGs.

The G20 has emerged as a foremost global initiative to respond to global crises in the short term and also suggest longer term pathways on development with strong focus on sustainability. India during the Presidency of the G20 for the

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year 2023 has set itself an action-oriented agenda on finance, SDGs, environment, sustainable consumption and production and digital transformation. Keeping this in view, the Delhi Process VI conference focused on the theme "Exploring New Development Paradigms and Growth Strategies: Partnerships in Times of Transition and Contestations" held on 27-28 August 2022 in preparation towards India's impending G20 Presidency.

The key issues deliberated upon included new development paradigm, global development initiatives and scope for partnership and cooperation, macroeconomic challenges and weakening means of implementation, recalibration towards SDGs 2.0 and beyond GDP – measuring development and wellbeing, among other issues.

There was a strong focus that India's G20 Presidency is an opportunity to catalyse commitments for equitable and inclusive global development trajectory and strengthen the means of implementation. The connect with IBSA countries taking forward the G20 Presidency in the coming years was also highlighted and discussions were held on the long-term initiatives that can be taken up by IBSA countries.

RIS organised the conference with the support of the Ministry of External Affairs, Government of India; Network of Southern Think Tanks (NeST); Forum for Indian Development Cooperation (FIDC); Global Development Centre (GDC) and other partners.

Mr Jorge Chediek, Formerly Director, UN Office for South-South Cooperation and Envoy of the Secretary-General on South-South Cooperation, set the context of the 'Delhi Process'. Professor Sachin Chaturvedi, Director General, RIS made the welcome remarks and deliberated that the idea of bringing back development right at the core of the economic growth strategy is extremely important. It is also important to ascertain that money is not pumped for infrastructure without local participation; and that is what the SDGs (Agenda 2030) is all about. It is about localization of development, and bringing in local aspirations and local expectations in the wider global process.

Ambassador Anil Sooklal South Africa's BRICS Sherpa in his special remarks emphasised to bring back development from the margins to the centre of the G20 agenda and to going beyond the verbal articulation of setting priorities and need to bring forward practical examples of the agenda.

Eminent experts deliberated that multilateralism was capable of creating an agenda, based on SDGs that could be adopted not only by the G20 but also by BRICS, OECD, World Bank, IMF and WTO. Further, there is an absolute need for localisation of development/SDGs in a framework that helps evolving an analytical frame and eventually place it back into the theoretical edifice.

Mr Dammu Ravi, Secretary (Economic Relations), Ministry of External Affairs, Government of India highlighted that Delhi Process VI would provide an opportunity to bring collective thoughts together and pass it on to the Sherpas of India, Brazil, and South Africa to build a common agenda to bring the development into the Centre fold of the G20.

Mr Amitabh Kant, G20 Sherpa, India, in his inaugural speech presented the three key issues. Firstly, the world is in need of growth which has to be brought to centre stage. Elimination of poverty, achievement of goals laid down at COP 21 and Cop 26 and climate sustainability cannot be achieved without growth. Therefore, growth alone would enable the South to lift itself and vast segments of the population above the poverty line. Secondly, growth has to take place in the context of sustainability, climate change, climate adaptation, climate mitigation, and driving sustainability. This is not a challenge but a huge opportunity. The Prime Minister of India committed to a particular strategy at COP 21. None of the G20 countries achieved it. India was the only country which achieved its NDC targets nine years ahead of schedule. There is also a need to accelerate the pace of towards achieving the development agenda. India has done a lot of work in terms of localisation of SDG, ranking its own states, and its own districts on performance. The country has also done a huge amount of work on SDGs through cooperative and competitive federalism. In addition to these three broad perspectives, it is very important to understand that there has to be an Indian narrative during the G20. India must leave behind its legacy because it is really celebrating 75th year of democracy through the Azadi ka Amrit Mahotsav.

The deliberations also focussed on the Indian innovations in the digital space where India has created an alternative to the big tech model of the United States of America. India has created consent-based identity, payment base, the COWIN model of vaccination, which is totally paperless and cashless. This has to be India's unique legacy of digital public infrastructure.

Delhi Process VI was represented by speakers from institutions like German Institute of Development and Sustainability of Germany, Asia Foundation; Malaysia Economic Research Institute for ASEAN and East Asia (ERIA), Indonesia; Center for International Knowledge on Development (CIKD), China; Institute for Applied Economic Research, Brazil; OECD Development Centre, France; Centre for Policy Dialogue, Bangladesh; Institute for Integrated Development Studies, Nepal; Tata Institute for Social Sciences; World Resources Institute; University of Duisburg-Essen; Jadavpur University; Symbiosis School of International Studies; Centre for Social Research; National Scientific and Technical Research Council, Argentina; Embassy of Zambia, Embassy of Angola; Embassy of South Korea; etc.

The session on New Development and Paradigm and Principles of Cooperation brought together experts from various renowned institutions of the world and recognized the importance of changing the development paradigm by going beyond aid, thereby recognising the emergence of new players. The agenda is much broader and cannot be tackled by aid and development is not only development cooperation. It also highlighted that working with Africa is important because this is a continent which is the youngest and is going to play the same role that Asia played in terms of adding to the pool of world labour. Moreover, G20 during the Indian Presidency could be an important point for reengaging and reviewing the way debt is to be restructured.

In South Asia, three of the four LDCs – Bangladesh, Nepal and Bhutan – would be graduating over the next two to four years. There would be formidable challenges that these countries will be facing to address the implications of graduation and in making graduation sustainable. They would also need more meaningful cooperation and debt waiver initiative to deal with debt repayment, debt servicing and likely debt distress. India's G20 presidency can make a difference in this context.

The Delhi Process VI aimed to influence practitioners of North-South cooperation, and the policy makers, especially during upcoming chairmanship of India's presidency. The conference was a positive begining towards G20 troika for next year of India, Brazil and South Africa, by sharing ideas for development.

The conference facilitated exchange of ideas on the three issues, viz. New Development Paradigm and Principles of Cooperation, Global Governance and Agenda 2030 and Development Pathways and New Measurement Approaches. The speakers emphasized on the issues of bringing local strategies, local data collection and localization of statistics, focusing more on gender equality, and revisiting the concept of measurement. There is a need to re-emphasize on ecological crises, the link between consumption and production and to see how development, rooted at the local level, would be extremely important. The process of development would be incomplete without domestic resource mobilization. Further, there is a need to focus on governance issues and new institutions that embrace the principles and voices from the demand side. The detailed agenda and key takeaways of the Conference are available at the RIS website.

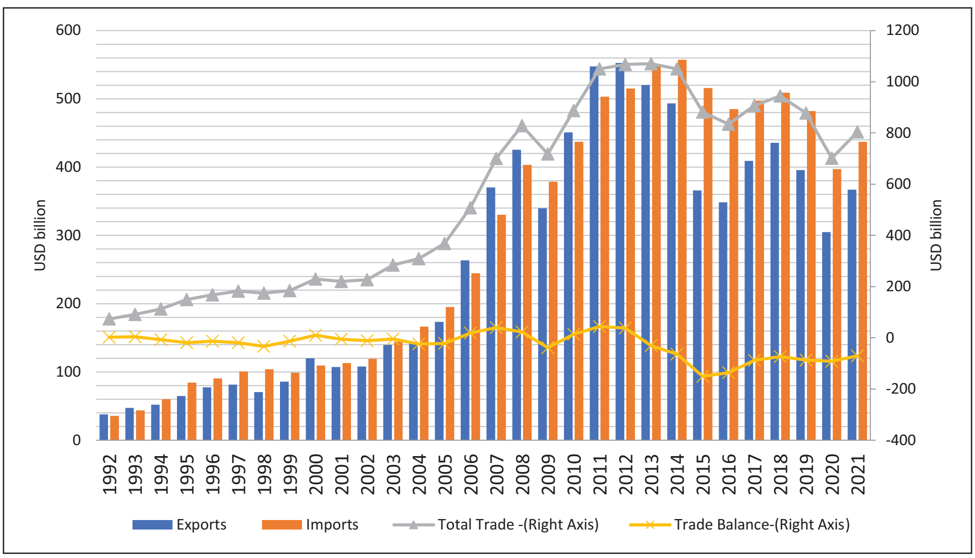
# An Analysis of the Intra-Regional Trade in Africa

Sushil Kumar*

On 21 March 2018 in Kigali, 44 member States of the African Union signed the Agreement Establishing the African Continental Free Trade Area. This was a major historical landmark for Africa. It can arguably be a game changer for the continent's economy (UNCTAD, 2019). It brings together 1.27 billion people constituting 16.73 per cent of the world population and combined GDP of USD 2488.69 billion[i]. Nigeria is the largest economy in the region, accounting for 18.86 per cent of the region's economy, followed by South Africa (17.25 per cent), and Egypt (11.49 per cent).

Africa's total trade has risen more than tenfold, from USD 73.5 billion in 1992 to USD 803.9 billion in 2021, growing a compound annual growth rate of 8.59 per cent over the period. In the case of exports, Africa's total exports have risen from USD 37.9 billion in 1992 to 366.9 billion in 2021. As regards imports, Africa's total imports rose to USD 437 billion in 2021 from USD 35.6 billion in 1992 (see figure 1).

### Figure 1: Trends in Africa's Merchandise Trade between 1992-2021

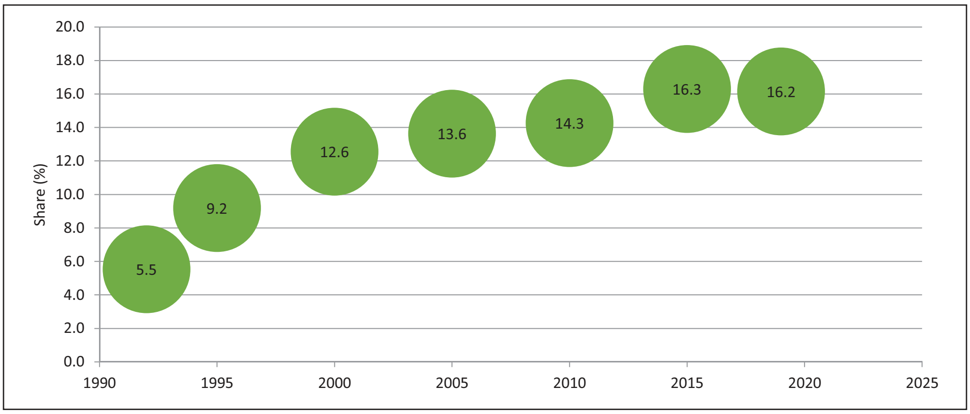



***Source:*** Estimated from UN Comtrade database

* Assistant Professor, RIS. Views are Personal

Intra-Regional Trade (IRT) in Africa has increased from USD 4.07 billion in 1992 to USD 107.88 billion in 2021. Intra-Africa trade as a share of total Africa's trade has grown from 5.5 per cent in 1992 to 16.2 per cent in 2021 (Fig. 2). The United Nations Economic Commission for Africa estimates that the African Continental Free Trade Area (AfCFTA) has the potential to boost intra-African trade by 52.3 per cent by eliminating import duties, and to double this trade if non-tariff barriers are also reduced.

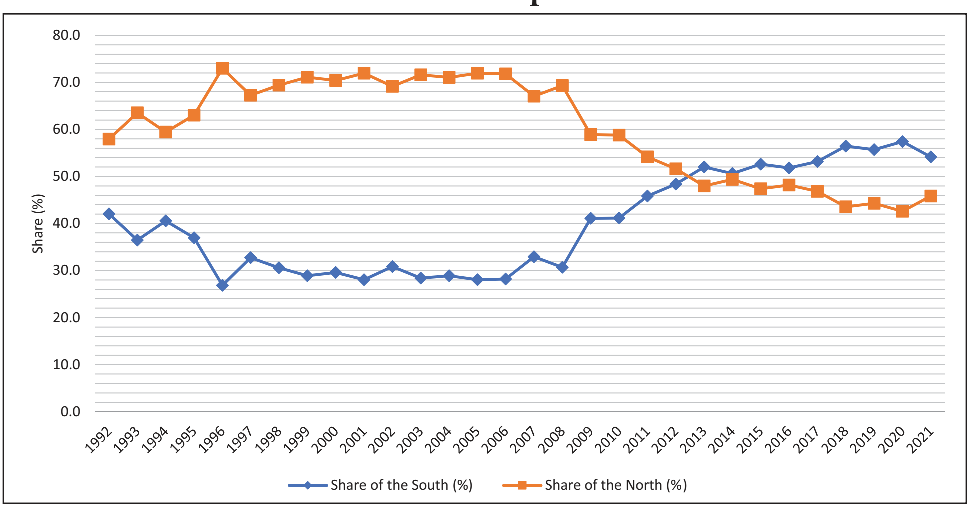
**Figure 2: Intra –Africa Trade as Share of Total Africa's Trade (%)**




***Source:*** Estimated from UN Comtrade database

Africa's total exports as a percentage of total exports with the South (all countries who are not members of the OECD) climbed from 42 per cent in 1992 to 54.2 per cent in 2021, while exports with the North declined from 57.9 per cent in 1992 to 45.8 per cent in 2021 (see figure 3).

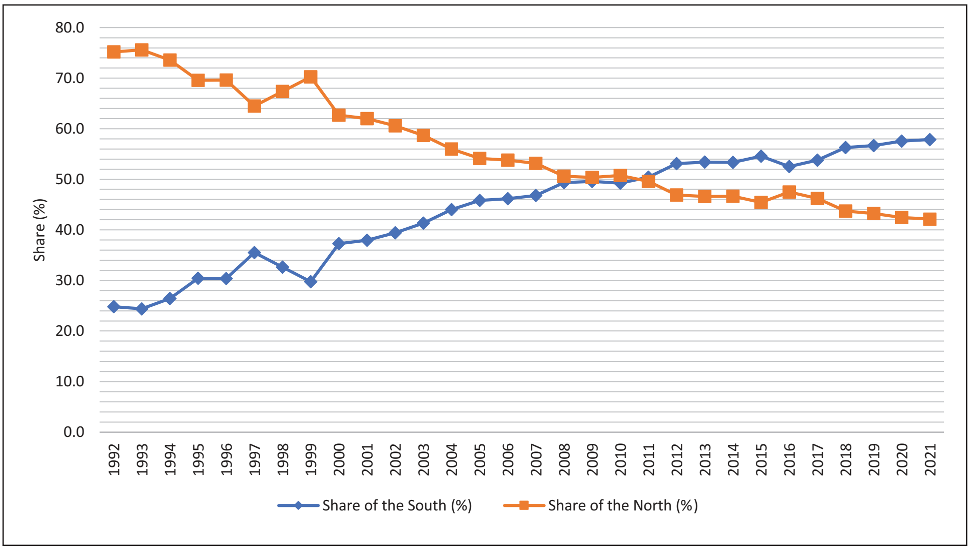
**Figure 3: Africa's Exports to South and North as a per centage of its Total Exports**




***Source:*** Estimated from UN Comtrade database

It is also important to note that the share of Africa's imports from the South increased from 24.8 per cent in 1992 to 57.9 per cent in 2021 while the share of the North has declined from 75.2 per cent in 1992 to 42.1 per cent in 2021 (see figure 4).

**Figure 4 Africa's Imports to South and North as a per centage of its Total Imports**




***Source:*** Estimated from UN Comtrade database

## Reference

UNCTAD (2019). Made in Africa – Rules of Origin for Enhanced Intra-African Trade. Available at https://unctad.org/en/PublicationsLibrary/aldcafrica2019_en.pdf.

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3. Use 's' in '-ise' '-isation' words; e.g., 'civilise', 'organisation'. Use British spellings rather than American spellings. Thus, 'labour' not 'labor'. (2 per cent, 3 km, 36 years old, etc.). In general descriptions, numbers below 10 should be spelt out in words. Use thousands, millions, billions, not lakh and crore. Use fuller forms for numbers and dates— for example 1980-88, pp. 200-202 and pp. 178-84, for example, 'the eighties', 'the twentieth century', etc.

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Development Cooperation Review (DCR) aspires to capture holistic narrative around global development cooperation and fill an important knowledge gap towards theorisation, empirical verification and documentation of Southern-led development cooperation processes. Despite growing volumes of development partnerships around the Southern world, there remains an absence of detailed information, analysis and its contribution to global development processes. Even though there have been sporadic efforts in documenting some of the activities, a continuous effort in chronicling the diverse experiences in South-South Cooperation (SSC) is still absent. RIS, in joint publication with GDI, FIDC and NeST has endeavoured to launch DCR, a quarterly periodical, to fill this gap.

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