# **GPI SPOTLIGHT**



# IMPLEMENTING BAPA+40 THROUGH TRIANGULAR CO-OPERATION

**CASE STORY: GERMANY** 

October 2023

## **BAPA+40 and Triangular Co-operation**

The BAPA+40 Outcome Document was a milestone for triangular co-operation. The Global Partnership Initiative on Effective Triangular Co-operation (GPI) has identified 53 recommendations related to the modality. Among those, four dimensions stand out: (i) triangular co-operation system, (ii) working methods and cross-cutting issues, (iii) partnerships, and (iv) sectoral focus.

The GPI Spotlight series are short and informative publications. It is an analytical exercise to identify how its members are using triangular co-operation to implement the BAPA+40 recommendations.

# A glance at Germany's approach to triangular co-operation

Germany is a recognised leading partner in triangular co-operation (TrC) worldwide. The country's first triangular initiatives started in the mid-1980s. Since then, it has engaged in over 150 triangular co-operation projects and initiatives on every continent. Germany has also carved out a place as a global convener and facilitator of numerous dialogues, studies and exchanges that continue developing the concept, tools, and political backing for TrC as a transformative modality in development co-operation.

Since 2013, Germany has had a clear strategy guiding its approach to TrC. This strategy was updated in 2022 after a comprehensive evaluation of its triangular co-operation portfolio.

Two objectives are explicitly pursued through TrC: (i) "the establishment of global strategic partnerships for sustainable development political-strategic dimensions", and (ii) "the improvement of the effectiveness of development measures through the complementary use and dovetailing of the partners' knowledge, experience and financial resources."

In line with BAPA+40 recommendations, Germany makes a strong effort in systematising and sharing data on the modality, being the first country to report its TrC initiatives and disbursement to the Organisation for Economic Co-operation and Development (OECD) Creditor Reporting System in 2016. In 2021, Germany reported disbursements of almost USD 8 million for TrC. To further advance this effort, the German Federal Ministry for Economic Co-operation and Development (BMZ) established a marker for TrC in its internal reporting system in 2022.

The working methods of the mechanisms that support TrC are meant to reinforce horizontal engagement, mutual learning and sharing the costs and responsibilities among partners, as well as consolidating regional networks of long-term collaboration and, indirectly, strengthening national development co-operation ecosystems.

# **Regional approach to TrC:** a model based on mutual learning, horizontal partnership, and dialogue

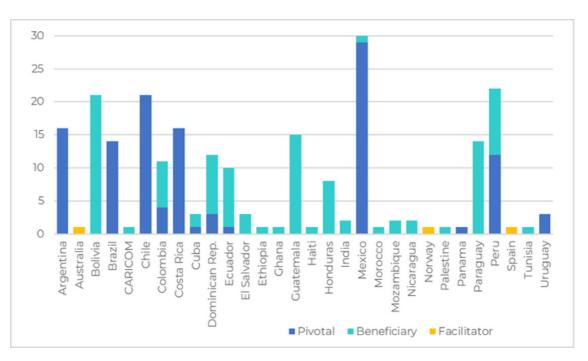
The <u>German Regional Fund for</u>
<u>Triangular Co-operation with Partners in</u>
<u>Latin America and the Caribbean</u> (LAC

Fund) has become the flagship mechanism of the German development co-operation to promote the modality. The LAC Fund was created in 2011; since then, it has consolidated a model of support to jointly implement TrC projects, strengthen the capacities of all partners for a more effective engagement, and foster policy dialogue and peer learning about methods, good practices and lessons in doing TrC. For more than a decade, 38 countries and regional organisations have participated in 128 (10.2023) projects supported by the

Fund where 60% of resources invested in the projects comes from partner countries.

Countries in other regions, especially Asia and Africa, have also participated in projects supported by the LAC Fund and with partners such as Argentina, Brazil, Mexico and Peru. In 2022, a co-financing scheme for TrC was created between Germany and the European Union program - ADELANTE 2 with Colombia, and another one with Brazil.

Figure 1. Partner participation, projects supported by the German Regional Fund for TrC with Partners in Latin America and the Caribbean (2011-2023)



Source: GIZ (2023). Repository of Projects. Regional Fund for Triangular Co-operation with Partners in Latin America and the Caribbean. https://fondo-cooperacion-triangular.net/filtro-listado/

Germany is considerably expanding its TrC portfolio, increasing partner countries, institutions, mechanisms, and sectors. Within the scope of the Sino-German Centre for Sustainable Development, established in 2017, Germany and China started implementing TrC projects with Asian and African partners, international organisations, and private sector participation.

The <u>Fund for Triangular Cooperation</u> with Asia, set up in 2021, is facilitating pilot projects to test the viability of TrC concepts and approaches in the region.

The first round of pilot projects, with India and China in pivotal roles, are multiregional as most of the third countries in the initiatives are African. An issue of special interest is the promotion of ecological and social standards in international value chains, for example in the textile industry (with Ethiopia and China) or in tropical timber trade (with Central Africa and China).

Other triangular partnerships have emerged outside the structure of regional funds, for example with Indonesia, Jordan, and, more recently, Rwanda. In 2022, Germany signed a Joint Declaration of Intent (JDI) with India to implement TrC in third countries, and later that year, another JDI with the Islamic Development Bank (IsDB) to foster TrC in the Middle East and North Africa region. In terms of nature of actors, German TrC involved not only government partners, but also civil society, private sector, and academia.

# Key aspects of Germany's system enabling triangular co-operation

#### Evaluation

Germany conducts regular evaluations and case study reviews of its TrC projects. All projects supported by LAC Fund have been externally evaluated since 2018. In addition, the LAC Fund has conducted dialogues and assessments to explore evaluation findings and processes such as the "Ex post evaluations of triangular co-operation: findings and lessons learned for the future" (March 2022).

In 2020, the German Institute for Development Evaluation (DEval) published a <u>rigorous comprehensive</u> evaluation of the German triangular cooperation engagement. The main conclusions of the evaluation include the confirmed contribution of the modality to achieving long-term political-strategic objectives, such as strengthening relationships among partners; the diversity of understandings of the modality between regions, but also within the German co-operation landscape; the need for more systematic information to enhance coordination; and the value of financing models such as the LAC Fund to untie TrC commitments from bilateral structures; among others.

This evaluation sheds light on how to capitalize on the modality to achieve development impacts and mutual learning that engages all actors including the facilitating partner. Following the results of this evaluation and the BAPA+40 Outcome Document, BMZ updated its position paper on TrC in 2022.

### Reporting

In 2022, BMZ included a triangular cooperation marker in its internal reporting system, aiming to improve data collection and increase general knowledge of the modality across the German development co-operation system. The marker was a result of a system-wide consultation and engagement and will allow for more accurate tracking of TrC initiatives and disbursements, many of which have been embedded within larger development co-operation programmes.

### • Systemic learning

Internally, the BMZ, the German Agency for International Co-operation (GIZ in German), and the National Metrology Institute of Germany (PTB in German) regularly encourage dialogue and knowledge sharing on German TrC initiatives. Furthermore, Germany has engaged and supported several multilateral spaces, policy dialogues, and knowledge sharing with partner countries and institutions such as the GPI, the OECD/DAC Knowledge Sharing Exercise on Triangular Co-operation, in addition to the Regional Conferences on Triangular Co-operation jointly organised by Germany and Latin American and Caribbean partners, the Sino-German Dialogues for Development Cooperation, and recently, a Knowledge Hub on TrC together with the OECD and other partners, supporting capacity development on TrC, also online.

## • Innovation in capacity development

As a result of years of implementing participatory processes in Latin America and the Caribbean to strengthen individual and institutional capacities for effective management of TrC projects, Germany established, through the LAC Fund, a capacity sharing programme based on regional knowledge networks delivering e-learning and face-to-face workshops, among others.

Following the LAC Fund's multicomponent model, the Fund with Asia partnered with the GPI on Effective Triangular Co-operation and national academia and experts in India and China to implement capacity building sessions for partners involved in pilot projects, as well as lead policy dialogues that contribute to mutual learning and exchange in the diverse TrC community in the region.

• Sector diversity and alignment German TrC is different from bilateral programmes that focus on core areas, especially after the BMZ's 2030 reform strategy which represented a comprehensive reorientation of the German development co-operation. TrC maintained its flexibility in terms of thematic focus within the range of the Sustainable Development Goals. In addition, triangular partnerships integrate six cross-cutting quality criteria for development measures, including gender equality, environmental and climate assessments, and poverty reduction. TrC has also been included in recent BMZ strategies and regional papers, e.g. the Strategy on Feminist Development Policy (2023).

### **Recommendations to continue BAPA+40 implementation**

Building on the DEval evaluation and other analytic products on German TrC:

- Improve policy coherence on TrC within the German development co-operation system to ensure common understanding of concepts and appraisal of benefits, improve internal coordination, and capitalize on the potential of TrC to achieve development impact.
- Foster capacity development within the German system, taking advantage of the recently implemented marker to identify TrC initiatives and disbursements at a project level.
- Work with partners and across the German system to continuously internalize learning from past experiences, studies and evaluations.
- Increase the volume of financial resources for the modality knowing that establishing new partnerships implies risk, learning, and trust-building; actively engage with nonstate actors and explore sources and financing mechanisms beyond government structures.
- Strengthen the role of Germany as a learning partner in TrC based on the experience that the roles of beneficiary, pivotal and facilitating partners often shift during the lifetime of the projects, making TrC a modality in which all partners contribute and benefit.

#### **References:**

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