

TRILATERAL COOPERATION IN GERMAN DEVELOPMENT COOPERATION – COMMON GOALS, MORE IMPACTS?

Summary

In keeping with the 2030 Agenda for Sustainable Development, many emerging countries and up-and-coming developing countries are striving to assume more responsibility in their regions and globally. In this context the modality of trilateral cooperation (TrC) is becoming increasingly important in international development cooperation. The essential difference between TrC and “traditional” bilateral development cooperation is the additional role of the Southern provider – normally an emerging country such as Brazil or Thailand. The Southern provider acts alongside the donor, supplying expertise as well as personnel and financial resources for the implementation of a TrC in the beneficiary country.

Against this backdrop, the various actors – including German development cooperation – are showing increasing interest in the modality of TrC. They associate a large number of objectives and expectations with this approach. TrC is seen as having great potential to achieve political-strategic goals such as strengthening international cooperation and promoting joint learning. At the same time, the actors expect TrC measures to result in increased effectiveness.

The degree to which the use of TrC is achieving the objectives of German development cooperation varies depending on the world region. In addition, a marked imbalance is found between the achievement of objectives on the political-strategic and the programmatic-thematic levels. In political-strategic terms, by fostering partnerships TrC is making medium- to long-term contributions to the implementation of the 2030 Agenda. TrC often strengthens the capacities of partner organisations of German development cooperation, enabling them to take on more global responsibility. TrC actors and themes are becoming more visible internationally and mutual learning is being

supported. From a programmatic-thematic viewpoint, for the most part only short-term objectives of measures are being achieved; the overarching development impacts and sustainability of the measures are low.

Reasons for this are inadequate resources, knowledge deficits and varying understandings of the modality of TrC and its usage. The BMZ strategy for TrC is neither clear nor focused, and the measures are not being systematically orientated to its strategic goals. This makes the steering of TrC difficult, particularly as it is not being supported by any monitoring system.

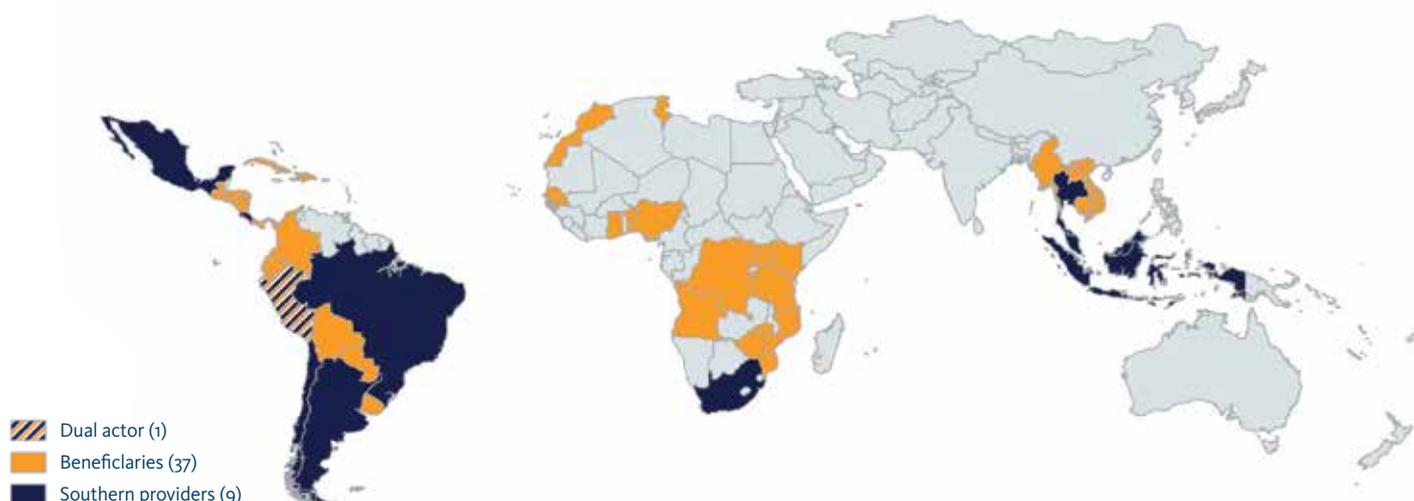
Currently this modality is falling considerably short of its potential. In order to make substantial contributions to the intended objectives, the BMZ should:

- use evidence-based knowledge to sharpen and monitor its TrC strategy,
- perform its steering function more vigorously,
- orientate measures in a targeted and context-specific way towards its strategic goals, and
- ensure that implementation is adequately resourced.

Trilateral cooperation in German development cooperation

Trilateral cooperation (TrC) is a form of development cooperation in which actors in three different roles jointly plan and implement a development policy measure. In addition to the traditional DAC donors, more and more emerging and developing countries are now ready to assume more responsibility in line with the 2030 Agenda for Sustainable Development. The key element that differentiates TrC from bilateral development cooperation between a donor and a beneficiary is the technical and financial involvement of an emerging country in the role of Southern

Partner countries of German development cooperation in trilateral cooperations



Note: the dual actor fulfils the role of Southern provider for some measures and beneficiary for others.

Source: own presentation based on BMZ portfolio data.

provider. For example, with support from German development cooperation, the Thai government is using a TrC measure to promote the Lao State Audit Organisation.

The various actors, including German development cooperation, are showing increasing interest in TrC and associate a large number of objectives and expectations with this modality. On the one hand, TrC measures involve a Southern provider in the aim of achieving development impacts in the beneficiary countries efficiently. On the other hand, TrCs are intended to foster international partnerships on the political-strategic level. Beyond this, the modality sets out to strengthen development cooperation structures in the partner countries.

Even today, the high expectations vested in TrC are hardly based on adequate evidence. The level of knowledge about the modality and its actual impacts is low. Against this background, the DEval evaluation Trilateral Cooperation in German Development Cooperation (Kaplan et al. 2020) investigated how far the objectives and expectations vested in TrC by the actors involved – particularly German development cooperation – are being fulfilled.

German development cooperation is acknowledged as an international pioneer in the usage of TrC (OECD DAC, 2016). Nevertheless, in terms of monetary volume, TrC plays only a marginal role in German development cooperation. Between 2006 and 2017, only 0.05 per cent of the BMZ budget was spent on TrC measures. The portfolio taken as the basis for the DEval

evaluation comprises 115 measures from 2006 to 2018, with an average duration of approx. two years. The main regional emphasis is in the Latin America and Caribbean (LAC) region, which accounts for three quarters of the portfolio, followed by Southeast Asia and sub-Saharan Africa.

Trilateral cooperation has potential for political-strategic impacts

The evaluation finds that the objectives are being achieved to greatly varying degrees in the three regions. Furthermore, an imbalance is noted between the achievement of the objectives of measures on the political-strategic and the programmatic-thematic levels. Some political-strategic objectives have been achieved; TrC therefore represents a suitable modality for pursuing these objectives – albeit with potential for improvement in various areas. On the programmatic-thematic level, however, the individual TrC projects achieve little more than the direct objectives of the measures. It was not possible to reconstruct with plausibility how such measures might additionally contribute to overarching development goals of German development cooperation.

Trilateral cooperation is not being systematically orientated towards strategic goals

Within German development cooperation there is no common understanding about the modality of TrC and its usage. Hence, the goals of the BMZ strategy for TrC are being pursued neither

systematically nor strategically, and TrC is being used very heterogeneously in practice. This has the advantage of permitting a high level of flexibility in the implementation of measures, but also the disadvantage that the concrete design of any TrC must be negotiated from scratch. Moreover, the BMZ does not have sufficient access to information from the measures, nor about their personnel resources, to be able to manage such information appropriately and steer the modality in the manner necessary to ensure strategic orientation of TrC. No superordinate monitoring system with indicators for measuring the achievement of strategic objectives exists. It is currently almost impossible for the BMZ to disseminate learning experiences or carry out regular evidence-based assessment of the strategic objectives of the TrC modality on a global level. Thus, the BMZ strategy for TrC cannot do justice to its aim of providing support and guidance for the German implementing organisations (c.f. BMZ, 2013, p. 3).

TrC in Latin America as good practice

The three regions analysed exhibit marked differences with regard to the framework conditions, the interests and the design of TrC and the achievement of its objectives. In the context of German development cooperation, the LAC region leads the field since an above-average number of TrCs involving numerous actors are being implemented in this region. This is due to the relatively good understanding of the modality, among other factors. Furthermore, a large number of Southern providers and beneficiaries are

interested in TrC and, by regional comparison, make the highest financial inputs to TrC. Equally, many beneficiaries wish to take on a more active role in future. In this region which is comparatively homogeneous in terms of culture and developmental history, most effects pertaining to the strengthening of partnerships, development cooperation structures and capacities as well as peer learning between the beneficiary and the Southern provider are being achieved. In the other two regions, differences in the actors' understanding and objectives stand in the way of greater use of TrC. In Southeast Asia there is great potential for more intensive cooperation due to the interest of Indonesia and Thailand as Southern providers. In sub-Saharan Africa divergent interests have led to a temporary cessation of TrC. To address this, the first step is to create a shared understanding of TrC.

More cooperation and improved development cooperation structures of Southern providers

TrCs often contribute to strengthening and extending cooperation relationships and forms of cooperation, such as South-South cooperations and networks, as well as to regional integration. TrC is used particularly as a way of maintaining the cooperation relationship between a donor and a Southern provider when they are no longer engaged in bilateral development cooperation. German development cooperation often focuses its use of TrC on the Southern provider with a view to strengthening it as a development cooperation actor and securing its commitment to the same development policy values, standards and principles. The experience of jointly coordinating and implementing TrC measures strengthens the Southern provider's development cooperation capacities and structures. Due to their growing involvement, Southern providers are becoming visible regionally and internationally as active development cooperation actors, and increasingly assuming responsibility in keeping with the 2030 Agenda. However, strengthening of the Southern providers and their visibility are not included as goals in the BMZ strategy, and consequently not monitored in a systematic way.

Specificities of trilateral cooperation are underused in German development cooperation

The idea of partnership is a fundamental aspect of TrC, and is expressed particularly in mutual and joint learning and in the degree of horizontality. Joint learning is occurring in all three roles during the use of the modality. Mutual learning is taking place mainly on the technical level between the Southern provider and the beneficiary, and also in relation to project management. Any learning processes within German development cooperation are happening on the individual level at best, and have not been systematically specified so far with regard to the modality. Due to the mutual and joint learning, TrC tends to be more horizontal in its orientation than bilateral development cooperation. Horizontality is more evident between the donor and the Southern provider than in the relationships of each with the beneficiary; furthermore, it is dependent on particular individuals.

Development effects in the beneficiary countries are insufficient

The objectives of TrC measures are largely being achieved. However, contributions to medium- and long-term development effects were hardly observed. TrCs are often implemented as one-off, low-budget, short-duration measures, and are not usually tied in with bilateral programmes in the beneficiary country. As a consequence, the sustainable use of the results after the end of the project term is being omitted from planning.

The main reasons for the non-achievement of results and for limited sustainability are insufficient personnel, time and, in some cases, financial resources. The involvement of a third partner also gives rise to an additional communication and coordination overhead. These high transaction costs of TrC negatively affect the efficiency of the measures. At the same time, the strengthening of cooperation on the implementation level and the mutual exchange of experience justifies this additional effort to a certain extent. The efficiency of the measures can thus be rated more positively than their effectiveness.

Literatur

BMZ (2013), *Triangular Cooperation in German Development Cooperation*, Strategy Paper No. 5/2013, Federal Ministry for Economic Cooperation and Development, Bonn/Berlin.

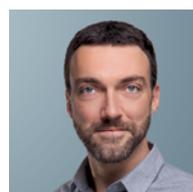
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Recommendations

If substantial contributions are to be made to the intended development cooperation objectives by means of TrC, in view of the currently limited impacts of the modality it seems necessary to increase the effectiveness and efficiency of TrC substantially:

- To orientate TrC towards the strategic goals of German development cooperation, the BMZ should sharpen its strategy and decide which objectives it wants to prioritise and achieve by means of TrC.
- Strategic steering by the BMZ will be required in order to implement the sharpened TrC strategy. For that purpose the BMZ should establish or improve information and knowledge management systems, such as establishing a superordinate monitoring system including indicators for the strategic objectives and systematisation of the portfolio. Sufficient resources must be made available for this within the BMZ.
- In order to increase the development effectiveness of TrC, the individual measures should be adequately resourced and tied in more closely with the thematic priorities of German development cooperation in the respective partner countries. To ensure that TrC measures achieve sustainable contributions towards medium- and long-term impacts, German development cooperation should pursue specific benefits of TrC, such as the strengthening of Southern providers and mutual and joint learning, as distinct objectives.



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The German Institute for Development Evaluation (DEval) is mandated by the German Federal Ministry for Economic Cooperation and Development (BMZ) to independently analyse and assess German development interventions. Evaluation reports contribute to the transparency of development results and provide policy-makers with evidence and lessons learned, based on which they can shape and improve their development policies.