

# Development in Brief



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## Triangular Cooperation: a Model for Success or a Flop?

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Triangular cooperation is usually defined as the (project-specific) cooperation between a *traditional donor country*, a *traditional recipient country* and a "new" donor country. New donors are usually advanced developing and emerging countries that typically have a clear focus on their regional sphere of influence or their own economic interests.

The development policy debate places high expectations on this combination of North-South cooperation and South-South co-operation.

The United Nations High Level Forum in Buzan in 2011 even adopted joint measures to promote triangular cooperation. These include capturing statistics of existing cooperation, outlining recommended courses of action for successful cooperation, promoting knowledge transfers and knowledge exchanges and developing an assessment and evaluation system.

### In theory, every partner stands to gain.

*Traditional donors* regard triangular cooperation as an opportunity to raise additional funds through the new donors for projects that are deserving of support under development policy. Some traditional donors also hope to be able to influence the new donors' development cooperation structures and policies, which are often still taking shape. In this way, traditional donors seek to familiarise the new donors with the established standards of the OECD Development Assistance Committee (agreements of Paris and Accra), integrate them into the international donor harmonisation process and sometimes strengthen the active role of the new donors as relevant regional power. Traditional donors can also learn from new donors. In some areas, new donors have developed better adapted (simple and robust) solutions,

possess relevant regional experience and apply unconventional approaches with sometimes surprising success. Finally, some traditional donors seek to establish or consolidate economic structures with new donors through triangular cooperation.

For *new donors* the appeal of triangular cooperation, in addition to its function of pooling funds, may lie in the fact that they can quickly absorb and apply the traditional donors' decades of experience in setting up their own development assistance structures. Furthermore, as a neutral party traditional donors may also provide them with easier access to countries in which they would otherwise not be able to gain a foothold so easily (particularly when their relations are burdened by history) and increase their visibility and acceptability there as donors.

Finally, *traditional recipient countries* could benefit in triangular cooperation from a harmonised appearance (procedures, promotional approaches, combined experience etc) of traditional and new donor countries. This could enable development cooperation to make a greater impact. In some cases, however, individual recipient countries also express a desire for triangular cooperation and, thus, for protection by the traditional donor in order to ensure adherence to social and economic aspects and prevent economic "exploitation" by new donors.

### In practice, diverse interests cause substantial implementation problems

Current studies show, however, that triangular cooperation is still quite uncommon in practice and that only some of the expected impacts occur in the few cases where it is applied.

The practical problems appear to reside primarily in the following areas:

- *New donors* often have little interest in following internationally established development cooperation agreements and standards in development cooperation as this would cause them to lose an important "comparative advantage" in their cooperation with traditional recipient countries, e.g. speed and flexibility.
- For some *traditional recipient countries* the advantage of being able to choose between different donor offerings (that have different standards) often weighs higher than a harmonised appearance of all donors.
- The *traditional donors* are realising that the new donors often still lack the implementing structures required for effective triangular cooperation, so triangular cooperation in practice is significantly more complex, slower and costly than expected.

Sometimes the political and economic interests and expectations of traditional donors and new donors are even opposed and very difficult to reconcile under triangular cooperation and also not always matches the interests and expectations of the traditional recipient countries.

Overall, the traditional donor countries appear to have the strongest and the new donor countries the least interest in triangular cooperation.

### Conclusion: the potential for triangular cooperation is considerably lower than expected

Although triangular cooperation can generally have benefits for all three partners, in practice only relatively few constellations exist in which there is a positive overlap of expectations of all parties and all three partners obtain advantages from it at the same time. However, it is only under this condition that triangular cooperation can materialise. The challenge is to systematically harness and encourage these constellations. ■