

Experiences with the South – South Co – operation – An African CSO perspective

Reality of Aid Africa Network

Introduction

- **The framework of South-South cooperation goes beyond the concept of aid/ODA as defined by traditional donors, it includes various types of economic and political cooperation, such as aid, loans, export credits, trade and investments, some of it equivalent to the ODA concept, and others are not. It is therefore difficult to separate the aid from other types of economic cooperation**



Why Engage is South – South Co-operation?

- Africa is the most resource laden continent with every primary product required for industry including an eighth of the global oil production requirement per day. Up to 85% of new oil reserves are found in Africa
- They also seek markets intermediate and finished goods – The South is increasingly becoming an important market for many participating countries' exports and a good incubator for their Multinational Corporations.
- A long-term strategic partnership is critical for sustained trade relations as well as extended labour markets
- Investment opportunities

Why Engage is South – South Co-operation?

- For most African countries, South – South Co-operation seems to be an alternative to the Western economic prescriptions that are marred by aid conditionalities and unnecessary foreign interference that seem to continuously disrupt their national economic governance.
- Non-interference policy seems to be one of the more attracting factors - more policy and fiscal space and no economic policy conditionalities that compromise a country's national development process.



Areas of Concern

- South – South Cooperation has mainly been a government-to-government affair pursued as a pure commercial and political undertaking. The co-operation is skewed towards political and business co-operation. People to people co-operation or institutional framework that could facilitate social and cultural exchanges among ordinary people are limited if not non-existent
- Weak social and cultural linkages - Inadequate labour standards are reported across the countries where good examples of south – south cooperation exist, with allegations of overworking, underpaying workers and not adhering to health and safety standards with little action being taken, The projects are capital intensive with little impact on unemployment in the short run

Areas of Concern

- Weak social and environmental assessment on projects undertaken under the south - south cooperation framework
- Further concern exists on the proliferation of casual labourers and petty trading by 'foreign' investors which displaces local workers and small scale traders thereby spurring attacks on 'foreigners' – the cases for xenophobic attacks in some parts of the continent
- There are concerns over limited transparency in the use of funds and resources from the South South co-operation and a potential for a new wave debt build up – there is a need for greater disclosure
- The use of the highest level of political leadership to seal business and political deals undermine the use of systems and procedures at the national compromising the executive function in the public sector

CSOs in the South – South Co-operation

- Civil Society Organizations have a crucial role to play in ensuring that the boom of South – South cooperation is managed in a manner that contributes to the eradication of poverty as well as sustainable economic growth and development in the continent
- However the relationship between CSOs and the state is less than facilitative for this role - To date there is very limited or no involvement of CSOs in any kind of activities related to South - South investment
- The nature of the relationship is mostly shrouded in secrecy, further inhibiting CSO participation

CSOs in the South – South Co-operation

- The institutional and legislative framework governing CSOs and the enforcement capacity of the state is designed to deter CSO input into the discourse on south – south co-operation
- CSO interests are dismissed as placing ‘democracy’ ahead of ‘development’ and face blanket condemnation as groups that are anti development and exploitation of natural resources by foreign companies

Opportunities

- Capital emerging from South – South cooperation especially the financial assistance, is an important opportunity for topping up resources and financing poverty reduction strategies, especially infrastructure projects.
- However to benefit from these opportunities African countries require clear programmatic visions and strategy for South - South financing
- African governments and CSOs have the opportunity to undertake further research on south - south engagement with their respective economies and regions so that they can maximise their benefits from their counterparts from other regions
- It provides a more diverse resources, and the opportunity of sharing relevant development experiences

Opportunities

- There is also a need to develop an institutional framework capable of addressing various concerns and conflicts arising from the south - south cooperation, The framework should take cognisance over the need to involve and engage non state actors including CSOs in their processes
- There is a need to guard against political and economic patronage in the co-operation
- There is a need to promote mutuality