



Policy Brief

Trilateral Cooperation



G20 Development Ministers' Meeting & 4th G20 Development Working Group Meeting

Enhancing Partnerships for Sustainable Development through Trilateral Cooperation within and beyond the G20.

The collective experiences of G20 countries in international cooperation, particularly in trilateral or triangular arrangements, should be utilized to enhance capacities, strengthen implementation means, and foster new partnerships in support of the UN Agenda 2030 Sustainable Development Goals. Brazil's G20 presidency welcomes the diverse approaches of member and invited countries, as well as international organizations, in trilateral cooperation, recognizing their varying levels of engagement and participation. These approaches range from structured strategies and global models to those based on decentralized decisions and occasional implementation.

Trilateral cooperation holds the potential to create more inclusive, horizontal, and forward-looking partnerships. A key feature of trilateral cooperation is mutual learning, where all parties contribute and learn. The exchange of experiences and insights among partners is prioritized over individual advancement.

With this perspective, eleven qualitative interviews with member and guest countries, as well as some international organizations, were conducted between May and June 2024, following the Methodological Note published with the support of the OECD and IPEA for the 3rd DWG Meeting in Salvador. The Brazilian Cooperation Agency (ABC) also received 15 survey responses. A brief summary of the main findings is presented below:

Message 1: Members look for the G20 to raise political awareness for the benefits of working in trilateral partnerships – a modality that is of high relevance for them.

Message 2: G20 members and invited guests welcome a list of elements for successful trilateral cooperation.

Message 3: Designing and implementing projects jointly is the most effective way to address partner asymmetries in trilateral cooperation.

Message 4: Transaction costs in trilateral cooperation are an investment in the partnership.

Message 5: More funding is needed, and specific budget lines for trilateral cooperation help.

Message 6: It is important to have trilateral cooperation strategies and guiding documents that include the modality in other sectors and regional or country strategies

Message 7: Trilateral cooperation builds synergies to other development initiatives and contributes to coordinating approaches.

Message 8: Trilateral cooperation is an effective way of addressing the other priorities of the Brazilian G20 Presidency namely, fighting poverty and inequalities and access to water and sanitation.

Message 9: Trilateral cooperation presents a common vision of change, while each institution has different interpretations of how to implement this vision.

Message 10: Knowledge sharing among G20 partners can lead to advancing a trilateral model that is suitable and relevant for the future.

Survey and interviews on Trilateral Cooperation – Introducing results

Special thanks to the G20 delegations' interview participants and survey respondents whose contributions led to the following results. The comprehensive presentation of the survey results will be published jointly by the end of 2024.

Message 1: Members look for the G20 to raise political awareness for the benefits of working in trilateral partnerships – a modality that is of high relevance for them.

For 93% of respondents, trilateral cooperation is considered very relevant or relevant, while 7% indicated it is not very relevant, and none found it irrelevant. Furthermore, there is strong interest in expanding trilateral cooperation, with the majority of respondents (54%) expressing a desire to do so immediately. The remaining respondents (46%) plan to expand their trilateral cooperation efforts in the future, indicating a growing recognition of its potential benefits.

Despite its relevance and the increasing demand from partner countries, the international community has not yet fully harnessed the potential of trilateral cooperation to accelerate collective action towards implementing the SDGs. There remains a lack of awareness among stakeholders about this form of cooperation, along with limited funding and strategic vision directed towards it. The G20 is in a unique position to enhance political focus on the potential of trilateral cooperation and increase financing for such arrangements.

Message 2: G20 members and invited guests welcome a list of elements for successful trilateral cooperation.

When asked to rank the five most important success factors, the following list emerged:

1. Country ownership and demand-driven cooperation
2. Inclusive partnerships and multi-stakeholder dialogues
3. Innovation and co-creation
4. Shared commitment
5. Joint-learning and knowledge-sharing for sustainable development

These five success factors were followed by the additional five below (in order of importance):

6. Focus on results-oriented approaches and solutions.
7. Alignment to national development priorities at the request of partner countries
8. Equality (horizontality)
9. Mutual benefits
10. Non-conditionality

To foster demand-driven cooperation and increase local ownership, solutions need to match partners' needs, and projects should be co-created and co-designed. The availability of key experiences from similar contexts facilitates the establishment of horizontal relations and roots ownership into the partnership, reducing perceptions of development cooperation as colonial or paternalistic. Localizing and decolonizing cooperation are key elements for international development.

Inclusive partnerships represent the future of development cooperation and trilateral projects are a tangible asset to solidify outreach to a wider range of countries and non-state actors, and foster multi-stakeholder dialogue and exchange.

Message 3: Designing and implementing projects jointly is the most effective way to address partner asymmetries in trilateral cooperation.

It is an element of reality that partners are not equal, as everyone brings different skills and resources to the initiative. This diversity is crucial and inspirational for trilateral initiatives. Fostering horizontality and equality requires that all partners have equal opportunities when bringing their skills and expertise into joint trilateral initiatives. Governance structures shall therefore respect balanced representation and transparency among partners.

Working together despite asymmetries creates a process in establishing trust and the best basis for successful horizontal partnerships.

Message 4: Transaction costs in trilateral cooperation are an investment in the partnership.

Some respondents are actively working to minimize transaction costs in trilateral cooperation, noting that the administrative burden for a "small" trilateral project can be comparable to that of a USD 50 million project. Naturally, engaging with three or more partners requires increased coordination and negotiation, particularly at the project outset. This initial investment of time is, moreover, crucial for building trust and establishing a solid foundation that facilitates smooth implementation.

Additionally, many Southern G20 members understand that trilateral cooperation is likely to increase cooperation budgets, thereby enabling projects to achieve greater impact and better coordination combined with other initiatives of low complexity but high effectiveness. This finding is in alignment with the idea that these costs, although necessary and sometimes significant, yield valuable returns in terms of partnership effectiveness and project outcomes.

Message 5: More funding is needed, and specific budget lines for trilateral cooperation help.

Respondents were keen to dispel the myth that trilateral cooperation is small by asking: "What is a small budget? And for who is it small?" In comparison with other South-South cooperation or technical cooperation projects, budgets for trilateral cooperation are within the average range and not small. When compared with large infrastructure and financial cooperation projects, budgets for trilateral projects do appear to be small. The interviews pointed to the need to enhance resource mobilization and explore innovative financing mechanisms, such as South-South Cooperation trust funds, to mobilize resources for trilateral cooperation projects.

Financial flows represent only one aspect of the equation. In-kind contributions, technical expertise, and the human resources provided by many countries in trilateral initiatives are significant, yet they often go unquantified and underreported. This under-reporting, added to the few comparable and comprehensive data, not to mention significant data gaps, distorts the understanding of trilateral cooperation worldwide. Furthermore, insufficient knowledge management and limited information on the impact and true scale of trilateral cooperation hinder efforts to enhance visibility and credibility in global development.

Message 6: It is important to have trilateral cooperation strategies and guiding documents that include the modality in other sectors and regional or country strategies

Respondents highlighted various strategies and tools to guide their trilateral cooperation efforts, including specific programmes, frameworks, funds and collaborative mechanisms. Almost all respondents to the survey (93%) gave examples of how and where they anchor their trilateral cooperation at the policy and strategic levels. The structure of traditional development cooperation institutions often lead to a bilateral bias, which prevents trilateral cooperation from being internalized and considered as one of the modalities available to deliver development results. To address this challenge and see opportunities arise, the incorporation of trilateral cooperation across other sectors and regional or country strategies will naturally lead to the systematic inclusion of trilateral cooperation as a tool to achieve the 2030 Agenda. Integrating trilateral cooperation into broader development cooperation strategies and programmes requires a shift in people's mindset and institutional culture.

Message 7: Trilateral cooperation builds synergies for other development initiatives and contributes to coordinating approaches.

Trilateral cooperation not only complements South-South and North-South cooperation, it also brings together diverse constituencies and leverages the strengths of various instruments while expanding knowledge and resource bases. It serves as a crucial tool for bridging divides in today's complex global landscape. By its very nature, trilateral cooperation facilitates positive change through locally driven approaches. Moreover, utilizing trilateral mechanisms, such as existing funds, can attract additional partners, scale up projects, and improve coordination among different development cooperation approaches from the South, North, and international or regional organizations.

Message 8: Trilateral cooperation is an effective way of addressing the other priorities of the Brazilian G20 Presidency namely, fighting poverty and inequalities and access to water and sanitation.

The vast majority of respondents to the survey (94%) utilize trilateral cooperation as a strategic approach to address poverty, inequalities, water, sanitation, and hygiene (WASH) challenges. As part of the contributions to DWG, a comprehensive list of initiatives from diverse partners will be released separately.

Multilateral and bilateral partners shared project examples (Boxes 1 and 2).

Box 1. China, Peru and the World Food Programme joining forces to tackle inequalities through a trilateral partnership

The World Food Programme (WFP) supports smallholder farmers' access to markets, including institutional markets like school feeding, to strengthen community resilience. For instance, WFP facilitated a four-year trilateral project involving Peru and China. With technical and financial support from China, the project aimed to enhance the capacities of smallholder farmers in Ayacucho, Peru, to supply local produce for government programs. This initiative aimed to reduce inequalities between larger corporations and smallholder farmers, increase livelihood opportunities for the latter, and diversify the food offerings for government programs. The success of the project inspired the Peruvian Government to collaborate with WFP on a new initiative called 'Sharing the Table: Transforming Food Systems with Family Farming to Reduce Hunger in Peru'. Scaling up the lessons learned from the initial trilateral pilot project has fostered greater impact and sustainability across other regions in Peru.

Source: Survey response by the World Food Programme.

Box 2. Brazil and Japan support Latin American and Portuguese-speaking countries in urban water supply

The Japan International Cooperation Agency (JICA), in cooperation with the Brazilian Cooperation Agency (ABC), supports third country training programs conducted by the São Paulo State Water and Sewerage Corporation (SABESP) and the Paraná State Sanitation Corporation (SANEPAR) to share knowledge on water supply systems and operation and maintenance. The programme is designed to share knowledge and experience in the field of urban water supply with countries in the South American region and Portuguese-speaking countries (such as Angola, Colombia, Costa Rica, Ecuador, Mozambique, etc.).

Source: Survey response by Japan.

Message 9: Trilateral cooperation presents a common vision of change, while each institution has different interpretations of how to implement this vision.

G20 members and invited countries have, at times, different understandings of trilateral or triangular cooperation in contrast to South-South and regional cooperation. Common frameworks could help capture, implement, monitor and evaluate trilateral cooperation more comprehensively. Several international organizations among the invited guests of Brazil's G20 Presidency pointed to the challenge of defining their trilateral partnerships: "should one understand that any South-South cooperation supported by a multilateral organization is a trilateral initiative?" Or "does it need a Northern partner to join the efforts of an international organization to make it a trilateral initiative?" Despite the broad differences perceived between the mechanisms of the G20 members and invited guests' institutions, some common challenges

emerge, such as coordination and knowledge management, the level of engagement and dialogue, resources, and having a dedicated focal point to support institutions.

Message 10: Knowledge sharing among G20 partners can lead to advancing a trilateral model that is suitable and relevant for the future.

Many G20 members and invited guests seek support in the coordination, sharing of knowledge, and guidance on best practices for engaging in trilateral cooperation. They highly value having a platform for exchanging lessons learned, best practices, challenges, and ideas for future collaborations. Areas requiring support include capacity strengthening, training, knowledge sharing, financing, coordination, and finding suitable partners. Respondents believe that cultivating a knowledgeable and skilled workforce will allow for a better design, implementation, and monitoring of trilateral initiatives.

The need for a deeper understanding of the benefits and operational aspects of trilateral cooperation across networks of headquarters and country offices was also acknowledged. Respondents stressed the transition from bilateral to trilateral development approaches, and highlighted the importance of connecting partners by matching ideas with needs and mapping expertise and cooperation opportunities to efficiently identify and engage potential collaborators who share similar goals and resources.

To capture and disseminate lessons learned from trilateral cooperation projects effectively, robust knowledge management systems and platforms are crucial. A collaborative lab for trilateral cooperation, involving the private sector, incubators, governments, civil society groups, and others, could serve as a hub for generating innovative ideas and solutions. These initiatives could be supported through the proposed G20 knowledge-sharing platform on trilateral cooperation.

A G20 trilateral cooperation knowledge-sharing mechanism.

The establishment of a knowledge-sharing mechanism will follow consultations among the G20 Troika, other G20 members, and international organizations. In addition to the survey results and interviews conducted by ABC and its partners during the second quarter of 2024, as part of the mechanism organization, at least two technical meetings will be held over the course of the 2024 second semester. Future mechanism activities may occur back-to-back to DWG meetings, relevant international events, and in-person or remote training.

Building synergies with existing mechanisms for trilateral cooperation will be crucial for the G20 platform. Survey respondents highlighted the G20 members and invited guests' active participation in various existing platforms. A comprehensive list of these platforms will be presented separately.

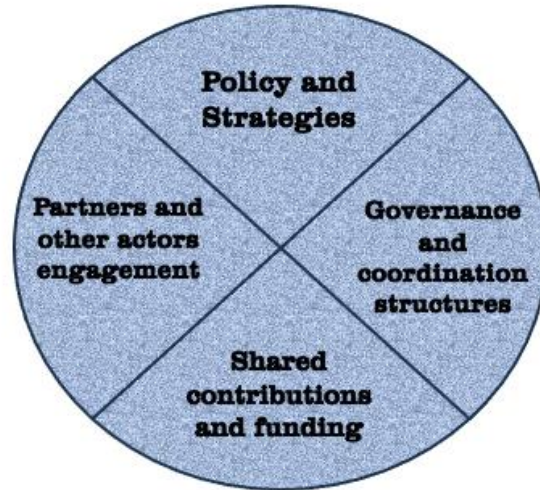
The proposed G20 mechanism will provide a space to share knowledge and exchange experiences among the G20 members. The five main workstreams envisioned hereunder could be co-led between Brazil and other G20 members:

- Setting up and strengthening national systems for trilateral cooperation;
- Strategies, guidelines and tools;
- Data management and raising awareness for trilateral cooperation;
- Funding mechanisms and resources for trilateral cooperation; and
- Matchmaking/marketplace for new projects.



Trilateral Cooperation co-Lab

The knowledge-sharing mechanism will address the specific needs and challenges of G20 members regarding trilateral cooperation frameworks. This could include sharing best practices, lessons learned, and innovative approaches related to strategies and practices.



Trilateral Cooperation co-Lab

Implement capacity-building initiatives to enhance the skills and capabilities of partners involved in trilateral cooperation. This could include training programs, workshops, and peer-learning activities tailored to the specific needs identified. Exchange experiences to enhance strategic decision-making and generate partnerships opportunities.





Trilateral Cooperation co-Lab

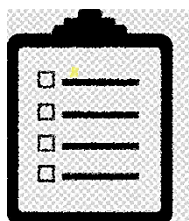
Discussion topics examples

Transition from bilateral to trilateral development

approaches: Emphasizing this transition suggests a strategic move towards more inclusive and collaborative development approaches that can leverage diverse expertise and resources.

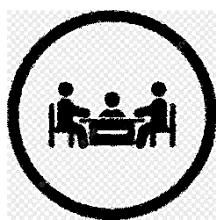
Connecting partners and matching ideas: This process involves mapping out expertise and cooperation possibilities to identify potential collaborators who share common goals and resources, thereby enhancing synergy and maximizing impact.

Creating a dedicated space where diverse stakeholders (including the private sector, incubators, governments, civil society groups, etc.) can collaborate to generate innovative ideas and solutions for trilateral cooperation. This co-Lab serves as a hub for brainstorming, testing new approaches, and fostering creativity to address complex development challenges.



Next steps include consolidating a **contact list of focal points and relevant personnel from G20 members** to participate in the technical meetings organization.

The Brazilian Cooperation Agency (ABC) will **establish a communication line** for a smooth information sharing and feedback.



ABC will organize **technical meetings with partners in September (Pretoria, South Africa - tbc) and on 7 October (Lisbon, Portugal)** to jointly plan activities for the G20 Trilateral Cooperation co-Lab.



The comprehensive **G20 Survey Report on Trilateral Cooperation** will be published by the end of 2024. It aims to support the DWG efforts in addressing development challenges and fostering opportunities for horizontal partnerships, innovative collaborations, and delivering tangible solutions for the well-being of people and the planet.