

Measuring Brazilian South-South cooperation through a participatory approach

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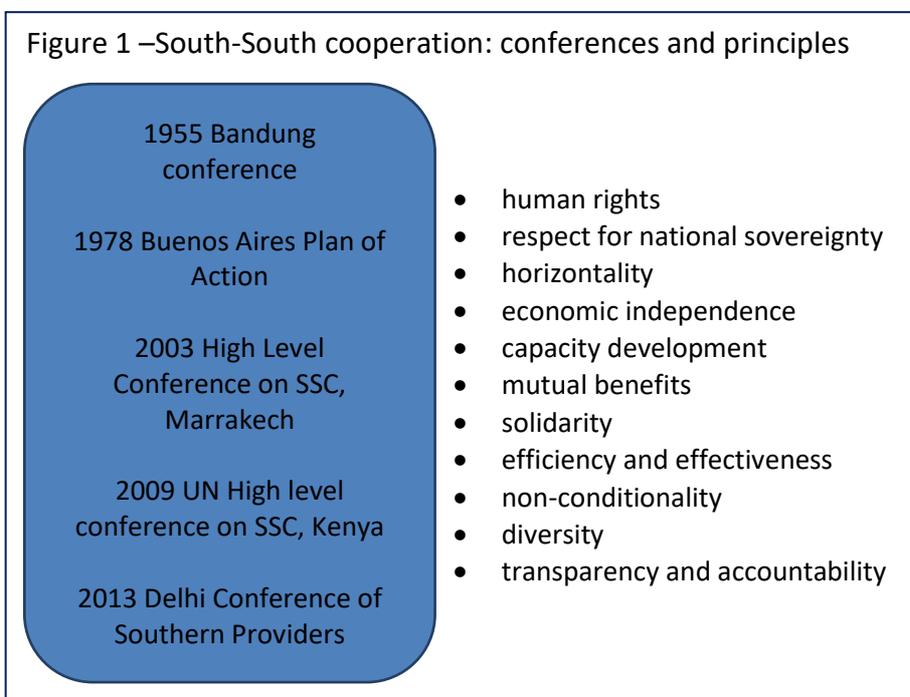
South-South cooperation (SSC) has been around for a long time, but theorists and practitioners alike still struggle to agree on what it actually means. The 1955 Bandung conference is usually considered an initial landmark, but it is possible to identify similar principles of autonomy and self-determination in international alliances going back as far as an analyst chooses to look.¹

Along with deeply rooted anti-colonial principles, SSC has also been linked to alternative development models, especially during the Cold War period, and with the overcoming of structural issues (such as trade and intellectual property) that have hindered competition – and deepened dependency. In the late 1970s, however, SSC also became about the creation and adaptation of knowledge and technical expertise, through what was then known as technical cooperation among developing countries, or TCDC. The 1978 Buenos Aires Plan of Action for Promoting and Implementing TCDC – or *BAPA* – highlighted capacity-building as a key SSC dimension. In a context of military regimes in Latin America and the end of the *détente* period in the bipolar regime, political demonstrations gave way to a more *technical* dimension.

SSC has, therefore, manifested itself in many forms throughout the decades. But whether it is seen as part of political alliances, concerted action in the trade regime or in technical cooperation and knowledge-exchange activities, there is an underlying and identifiable *SSC quality* that has been systematized into principles (See Figure 1). Its relevance was ratified and confirmed in the *2030 Agenda*, especially through SDG 17.

In the early 2000s, South-South relations gained a new impetus, one that disputed the space and narratives of the international development cooperation system and challenged practices and principles related to the Official Development Assistance (ODA) from traditional donors of the Organization for Cooperation and Economic Development (OECD).

The process of reaffirming SSC coincided with debates about ODA effectiveness - in fact, about what should be understood as *development* in the 21st century. Connected to this rethinking was the emergence of strongly mobilized civil society networks and coalitions, which were advocating for a people-centered and rights-based cooperation, whether at the national level or in regional and multilateral forums. The impact of these two *emerging* actors (CSO networks representing the interests of impacted populations and SSC advocates) was considerable – and, at least in the case of the CSOs, motivated several initiatives to keep up the political momentum and to develop relevant research (BRACHO, 2017).



The so-called Southern providers, however, continue to struggle to support their normative discourse with evidence-based research and analysis. When it comes to providing useable data and developing shared tools and methodologies for SSC measurement, the lack of common definitions is a major bottleneck (DICIOMMO, 2017)

As a contribution to these debates, this chapter intends to share a recent approach to measuring Brazilian SSC, that is part of a larger initiative of dialogue between governmental and nongovernmental stakeholders. The initiative, supported by Oxfam Brazil, has involved several organizations and networks. It began in September 2016 with a multi stakeholders

workshop followed by capacity-building activities on Brazilian national accounting systems. The final report on implementation was published two years later, in Portuguese, in April 2018.

The methodology is the result of collective inputs and has been inspired by existing budget-monitoring initiatives² – however, the absence of a clear-cut SSC policy made the search for SSC-related disbursements quite complicated and required a unique approach. Instead of looking for a previously defined object, our aim was to highlight budget lines and expenses that had a clear SSC narrative, which could ultimately inform a more coherent and coordinated SSC public policy. The general goal, therefore, is to foster an inclusive and evidence-based debate on what Brazilian SSC is – as well as what it can become.

Measuring what? A search for SSC narratives

In Brazil, the only official report available regarding the country's contributions to international development cooperation – known as COBRADI– supplies information on federal disbursements from 2005 to 2013. It includes data from more than 90 federal institutions that has been collected through an electronic survey form. COBRADI's methodology is complemented by additional qualitative information provided by focal points in participating institutions.

The COBRADI report was not intended as a SSC report, but rather tried to assess Brazilian contributions to international development since its first edition, published in December 2010.³ It was a pioneer assessment that sought to include contributions from different ministries and federal entities, collecting scattered and unidentified information in a context of little awareness of SSC – at least not by that name. Moreover, it offered, for the first time, an official narrative on Brazilian contributions to international development, no longer as an exclusively receiving country but as an exporter of social policies and ideas. The foreword, signed by President Lula da Silva, emphasized that the objective of Brazilian cooperation was not to replicate vertical models of aid, but rather was based on mutual benefits and responsibilities among equals.⁴

The COBRADI reports became the main reference for measuring and understanding Brazilian SSC: what it entailed, how much was spent, which ministries and agencies were involved and where the money was allocated. In this sense, it was the first reference in terms of what needed to be examined in the federal budget system.

Despite being the only comprehensive report on Brazilian cooperation, COBRADI's survey-based methodology demands significant political and bureaucratic engagement and duplicates efforts in implementation and reporting. Consequently, each edition takes considerable time and effort from its publishing institutions (the Institute of Applied Economic Research – IPEA, a governmental think-tank and the Brazilian Cooperation Agency from the Ministry of Foreign Affairs), which partially explains for its constant delay. Another negative aspect is that COBRADI's database is not open, so the only available disaggregation is that which is made in the report itself, which limits the scope of evidence-based analysis.

The development of a budget-monitoring methodology was thought to address many of these issues. In the first workshop, several points were raised:

- By extracting information from the online budget system, it would be possible to have updated information on SSC-related expenses at the federal level;
- The process would allow for strategic policy-advice on how to improve SSC accountability and visibility;
- Proposing an open perspective on what SSC can include or exclude would empower different stakeholders to participate in policy debate and implementation; and
- Finally, this process could provide an *adjustable* perspective that could foster dialogue and comparison with other Southern providers.

Implementation began in late 2017 in the main online platform known as SIOP (the Union's integrated budget and planning system). The SIOP provides data from January 2000 and is constantly updated with disbursements as they are created and approved by budget authorities within federal agencies and ministries. It is open and relatively user-friendly. However, in order to collect information from the selected timeframe (January 2000 to

December 2016) it was necessary to use an automated program to collect information from the system.

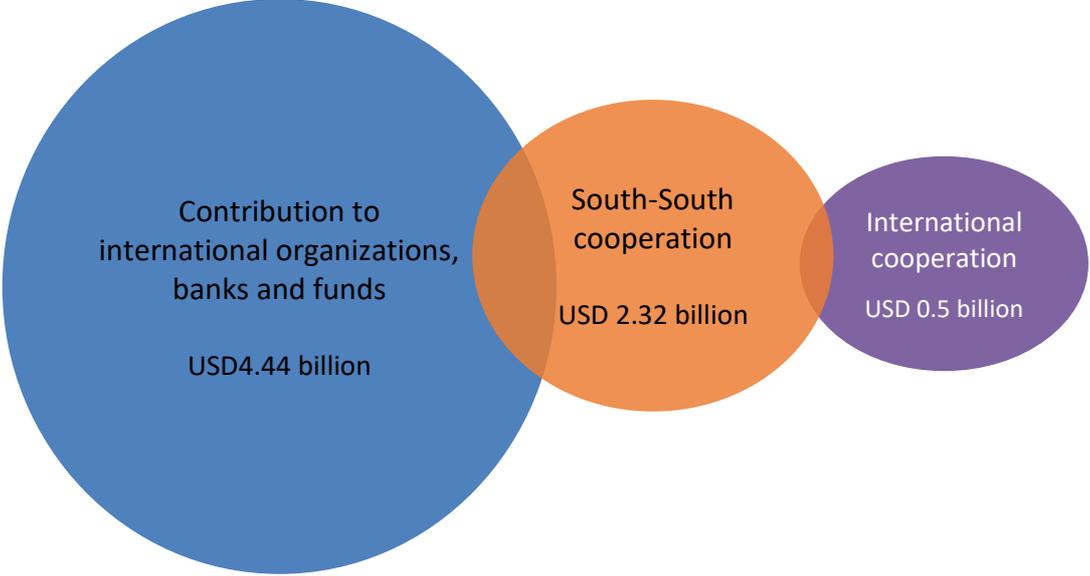
The SIOP allows for free text in input fields that describe each expenditure. This means that data is not standardized or easily identifiable. It has, nonetheless, allowed for increased transparency and detailed information: a complementary section created in 2011 made it possible to describe each budgetary expenditure in terms of goals, specific budget lines, legal framework and, in some cases, to access detailed contract information for rendering goods and services.

The methodology implementation began by filtering information from SIOP according to a list of key-words, that are linked to SSC *narratives* - that included the names of all countries (regardless if North or South), as well as general terms such as “international” and “cooperation”. The automated program conducted a series of searches in every input field available in SIOP.⁵ Our hypothesis here was that a clear SSC narrative for specific budget expenditures would suggest a stronger SSC awareness among policy-makers and bureaucrats: in fact, results showed a significant increase on the use of SSC vocabulary from 2005 until the end of the analysed period.

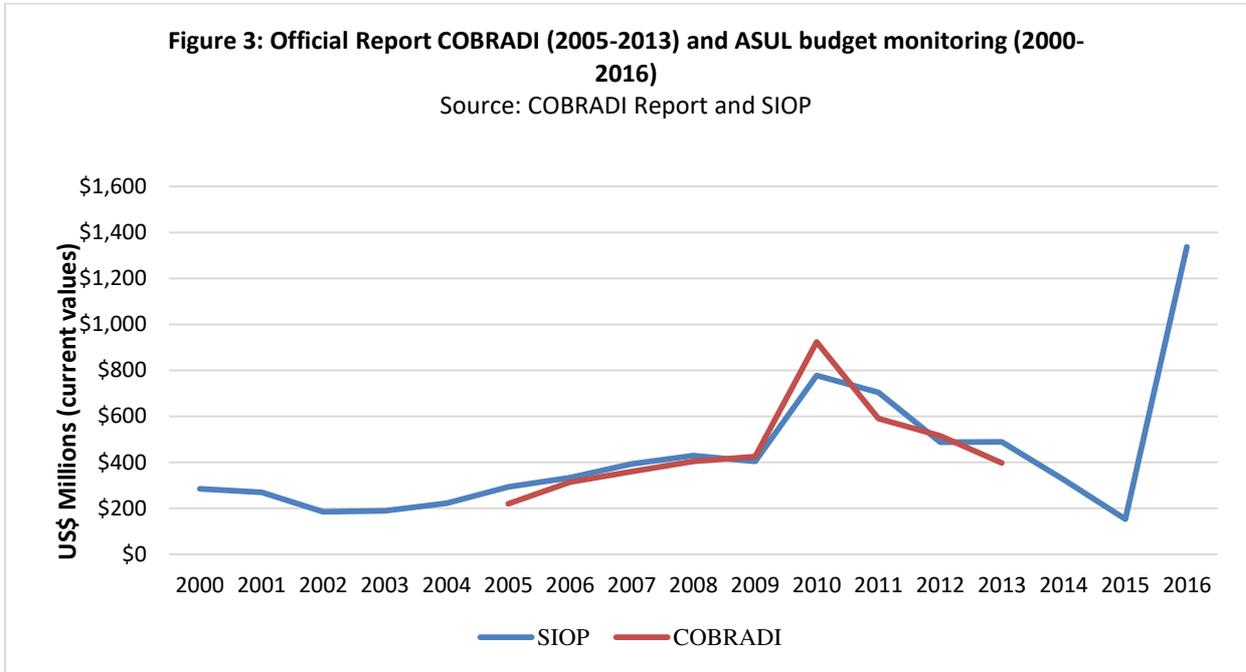
Considerable efforts were made to ensure that criteria were comprehensive so as to include any expenditure possibly related to international cooperation. As expected, this resulted in tens of thousands of disbursements. The next step was to analyze these disbursements individually, classifying them according to their *predominant narratives*. This required significant work from a dedicated team of SSC experts, and motivated very fruitful methodological debates along the way.

An initial challenge was separating programmatic expenses from ordinary ones related to foreign policy. Once the latter were identified and excluded, the total number of entries diminished significantly. In fact, it left only three general categories: 1) contributions to international organizations, banks and funds; 2) international cooperation and 3) South-South cooperation (See Figure 2).⁶

Figure 2 - ASUL Federal budget monitoring: Initial results
Distribution of Brazilian international development cooperation expenditures (2000 - 2016)
 Source: SIOP
 total amounts. USD current values.



General results were encouraging: Figure 3 illustrates how total amounts resulting from the implementation of our methodology coincided with those from the official reports.⁷



Contributions to international organizations, banks and funds represented approximately US\$4.44 billion, accounting for more than 65% of the total amount in the period. But a central question was why these contributions should be identified as Brazilian cooperation for development.

The first COBRADI report includes Brazil's contributions to international thematic or multipurpose organizations (which was misleadingly called "multilateral cooperation"), as well as regional banks and funds.⁸ Although the budget-monitoring methodology did coincide with the official data, it has also raised a few issues that need to be addressed in order to improve transparency. For example, budget registries do not discriminate between assessed and voluntary contributions to international organizations, which may impact the accuracy of SSC-related numbers.

Brazil does not have an enabling SSC legal framework.⁹ In fact, it has a *receiving* country legislation, that prevents it from sending resources abroad. Thus, several international organizations (mostly the UNDP but also WFP, ILO among others) serve as facilitators, managing resources that come from the Union's budget to implement Brazilian SSC program and projects. This suggests that some portion of what has been classified as *contributions to international organizations* is actually SSC. However, in the absence of a clear identification linked to SSC vocabulary it was not considered as such by ASUL's methodology.

The international cooperation category comprises only 6% of the total amount identified in the period. It is made up of budget registries that, on the one hand, have a dimension of international cooperation, but, on the other hand, do not have a clear SSC narrative. They were too ambiguous to fit inside the SSC category, or they were actually disbursements related to international cooperation *received* by Brazil.

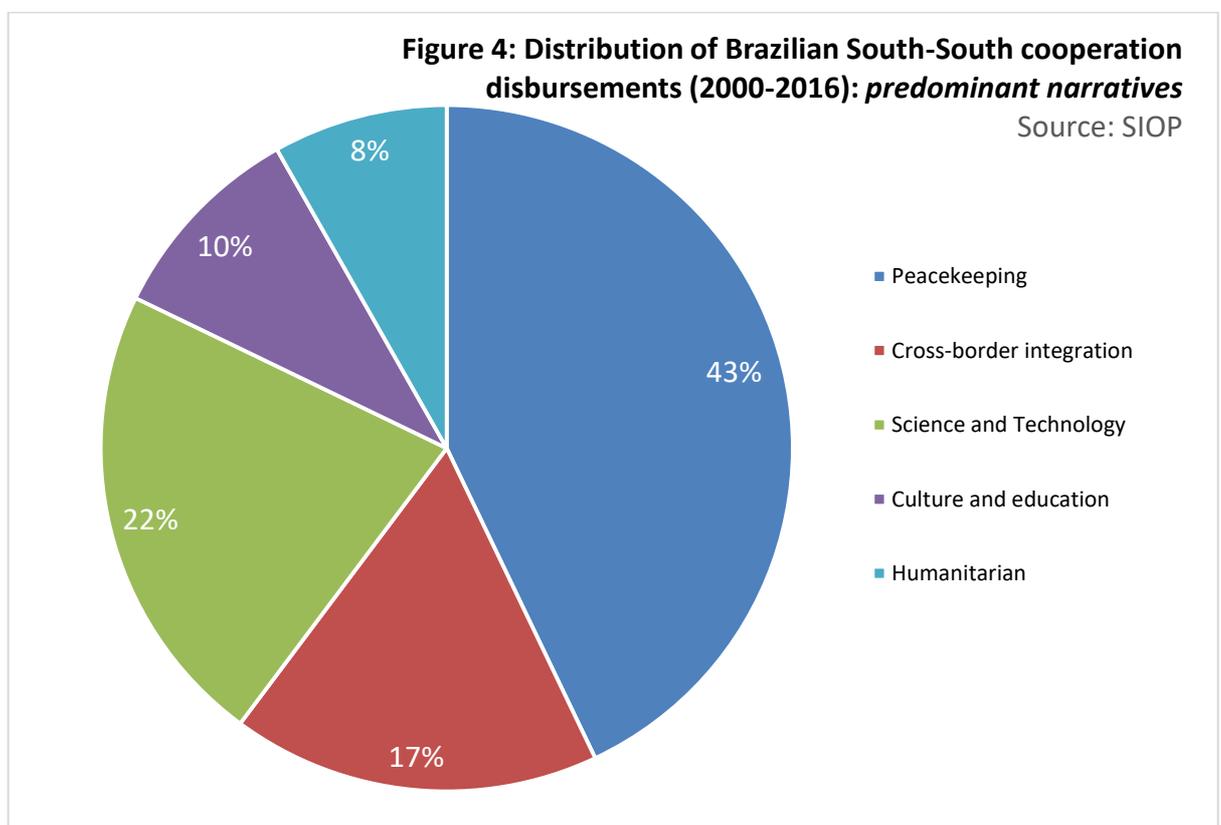
Having a dual personality as both provider and receiver in the international development cooperation system, far from being an exception, is a defining trait of many Southern providers. Because of this duality, this category of disbursements included, for instance, payments related to the development of a nuclear-powered submarine that resulted from a "strategic partnership" between Brazilian and French defense ministries. Nevertheless, this

category may also include SSC-related disbursements that could not be clearly identified: a generic budget line for “international technical cooperation,” for example, is likely to include TCDC, but the lack of a clear SSC narrative or the identification of the partner country prevented it from being reclassified.

The SSC category only included federal disbursements that had clear narratives identifying it. It represented 28% of the total amount identified for the period, but it may, as we have seen, been underestimated. Moreover, and as it will be briefly described in the next section, it was possible to examine it according to five different *predominant narratives*: 1) defense and peacekeeping; 2) cross-border integration; 3) science and technology; 4) cultural and educational; and 5) humanitarian cooperation.

South-South cooperation lost and found

According to ASUL budget-monitoring methodology, all federal disbursements that had a clear SSC narrative were classified as such. According to Figure 4 they could also be divided into five *predominant narratives*:¹⁰



- **Peacekeeping missions and defense:** Comprising little less than US\$1 billion for the period, disbursements from the Ministry of Defense represented more than 40% of the SSC category. Since they were all from the same institution, budget registries were fairly standardized and included disbursements related to Brazil's participation in peacekeeping missions in Haiti, Lebanon and East Timor, all UN mandated missions. As already stated in the COBRADI report, a significant part of these expenses are reimbursed by the United Nations Department of Peace-Keeping Operation (UN-DPKO), after a very thorough accountability process, so they should not be considered net disbursements;
- **Cross-border integration:** Although it was absent from the official reports, the budget-monitoring methodology identified a narrative of regional integration in disbursements related to infrastructure projects across municipalities in national frontiers and in the MERCOSUR corridor. The latter, however, despite having a clear SSC narrative of regional integration, consists largely of disbursements related to projects within national borders;
- **Science and technology (*space cooperation*):** Federal disbursements that had a clear SSC narrative within the field of science and technology represented over 20% of all SSC expenses in the period. Cooperation with China for the development of the earth resources satellite was one of the main disbursements in this category, along with cooperation with Ukraine to develop a satellite launcher on Brazilian territory;
- **Cultural and educational:** This category accounts for cooperation amongst Portuguese-speaking countries as well as foreign student grants for graduate and post-graduate programs in Brazilian universities. Representing 10% of SSC disbursements, it also included expenses related to the Lusophone and Latin American Universities (UniLAB and Unila): Although they were both located in Brazilian territory, their main mission was regional and extra-regional integration with a focus on foreign students, and they were particularly strong in upholding the principles and rationale of South-South cooperation in culture and education, especially in the first half of the analyzed period; and

- **Humanitarian cooperation:** The internationalization of the zero-hunger agenda formed the base of the disbursements related to South-South humanitarian cooperation. It included support to international cooperation and civil society participation in the field of family farming, school feeding, as well as disaster response and in-country refugee support. It represented 8% of SSC disbursements, with a peak in 2010 with the Brazil's response to the Haitian earthquake.

What we have *not* found was equally important. Brazil's flagship cooperation initiatives in agriculture and health, for instance, were surprisingly absent, as well as virtually all technical cooperation. As mentioned, data regarding contributions to international organizations, which was not included as SSC, may explain the absence of Brazilian technical cooperation. These organizations play the role of TCDC enablers, managing Brazilian funds (and charging the equivalent overhead) to implement projects and programmes in partner countries. Although it responds to a necessity, that is, the lack of a legal framework for SSC in Brazil, it also raises a few questions: Is all TCDC, *triangular* cooperation? What are the implications of this arrangement for accountability, for instance? Since funds are managed by an international organization, they are not integrated into the national transparency systems. This is not to say they are opaque – quite the contrary, the recently launched UNDP Transparency Portal¹¹ offers detailed information on these agreements, including budget utilisation and project documents. But they are not visible in the national budget as TCDC.

ASUL's methodology has highlighted cases such as this and developed specific recommendations for better identification of expenditures. The team is also engaged in national and international advocacy, in order to influence a more open and participatory approach to SSC measurement and monitoring. By identifying different manifestations of SSC in the national budget system we are encouraging the international debate without advocating for a closed conceptual framework. Countries that wish to report and compare any or all of the existing narratives can do so, based on their own national systems, and according to their own interests and availability.

Towards participatory SSC

In the late 1980s, the Brazilian city of Porto Alegre implemented a social participation policy that became known as *participatory budgeting* (PB). The main idea was to include a wider part of the population in the process of city budget allocation, through an annual cycle of public consultations and deliberations. By 2012, more than 2,500 local and central governments (from both the global North and South) had adapted PB policies in their own national realities, strengthening democratic participation and improving accountability (PORTO, 2017). The methodology we propose to measure SSC is in the spirit of participatory budgeting: It aims at facilitating the engagement of multiple stakeholders in the process of measuring and, at the same time, conceptualizing and strengthening Brazilian SSC.

South-South cooperation cannot be measured solely through financial flows. Nonetheless, understanding budget allocations can help enlighten practices and priorities of Southern providers. The numbers we share here are actual disbursements (or outlays) made by the Brazilian government, which were described in the budgetary system, by official accounting authorities, using a SSC *vocabulary* and *narrative*. They offer a concrete perspective on what SSC may entail, and a baseline for further debate and methodological exercises.

Numbers may be well below expectations (and speculations), especially if compared to traditional OECD references. Measurement, however, is different than *value*. To understand the *value* of SSC we must go beyond measurement and tackle the issue of SSC assessment and evaluation, while finding a way to include domestic constituencies and impacted populations in partner countries.

Fear that numbers may misrepresent the national effort that is required to engage in SSC partially explains the resistance of Southern providers to openly address them. In this sense, some have argued for the use of corrective methodologies, such as applying Purchase Power Parity or using UN-type salaries to account for technical hours of national professionals. As valid as these exercises may be, they need a concrete baseline, which is what this methodology aims to provide. Understandably, Southern providers do not want to replicate OECD metrics and methodologies – however, it cannot be an excuse for being unaccountable.

Forty years ago in Buenos Aires, representatives of 138 countries agreed on an action plan to promote and implement technical cooperation amongst developing countries - TCDC. The 1978 BAPA had already called attention to a context of changes in relationships between developed and developing countries and denounced its governance as anachronistic and unequal. Next year there will be an official commemoration of its 40th anniversary, the BAPA+40, and the richness and complexity of the topic cannot dispense with a broad, participatory and evidence-based debate.

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¹ This article is a summary of the report “À procura da Cooperação Sul-Sul no orçamento federal” (*Chasing South-South cooperation in the federal budget*), supported by Oxfam Brazil and published April 2018. The full report is available, in Portuguese, on <http://obs.org.br/1150-a-procura-da-cooperacao-sul-sul-no-orcamento-federal>. For more information on project background and methodology please refer to SUYAMA B et.al., in *Monitoring and Measuring of South-South Cooperation Flows In Brazil*, March 2017.

² The Brazilian CSO Inesc - Institute for Socioeconomic Studies - has developed several methodologies for participatory budget-monitoring (or “thematic budget”) which inspired the development of a SSC initiative. More information available at <http://www.inesc.org.br/>.

³ As a working definition for Brazilian cooperation for international development COBRADI used “the total funds invested by the Brazilian federal government, entirely as non-repayable grants, in governments of other countries, in nationals of other countries in Brazilian territory or in international organizations with the purpose of contributing to international development, understood as the strengthening of the capacities of international organizations and groups or populations of other countries to improve their socioeconomic conditions”. *Brazilian Cooperation for International Development: 2005-2009*. Available in http://www.ipea.gov.br/portal/images/stories/PDFs/livros/livros/livro_braziliancooperation.pdf

⁴ COBRADI’s latest edition, released in 2016 with data from 2011 to 2013, divided Brazilian cooperation to international development into seven modalities: 1. Technical; 2. Educational; 3. Scientific and technological; 4. Humanitarian; 5. Refugee support and protection; 6. Peacekeeping operations and 7. Contribution to international organizations

⁵ The methodology was described in an early publication named *A methodological handbook for measuring and monitoring Brazilian South-South cooperation*, published in 2017 in Portuguese. Available at <http://www.obs.org.br/cooperacao/1135-guia-para-monitoramento-e-mensuracao-da-cooperacao-sul-sul-brasileira>

⁶ Conversions from Brazilian real (BRL) to US dollars (USD) were made maintaining COBRADI’s methodology. The exchange rate used was the PTAX, calculated by the Central Bank of Brazil, which corresponds to the arithmetical average of the rates obtained in four daily visits to exchange dealers. From 2000 to 2016, USD 1 was equivalent to BRL 1.83 in the first year, BRL 2.35 in 2001, BRL 2.93 in 2002, BRL 3.07 in 2003, BRL 2.92 in 2004, BRL 2.43 in 2005, BRL 2.18 in 2006, BRL 1.95 in 2007, BRL 1.83 in 2008, BRL 2 in 2009, BRL 1.76 in 2010, BRL 1.67 in 2011, BRL 1.95 in 2012, BRL 2.16 in 2013, BRL 2.35 in 2014, 3.34 in 2015 and 3.48 in 2016.

⁷ The peak in 2016 refers to a presidential decree that authorized payment of late contributions regarding Brazilian membership in international organizations, in the amount of nearly USD 1 billion.

⁸ Besides UN-system agencies, the Fund for Structural Convergence and Institutional Strengthening of Mercosur (Focem), the International Development Association (IDA) of the World Bank Group, the Inter-American Development Bank (IDB) and the African Development Bank (ADB) were the main receivers of Brazilian federal contributions in the first assessed period.

⁹ A study from the Overseas Development Institute (ODI) authored by Lidia Cabral details the institutional challenges and constraints for Brazilian SSC (CABRAL, 2010).

¹⁰ We have chosen to use the term “predominant narratives” since they are not necessarily SSC *modalities*, but they do share common elements that allowed them to be included in a specific narrative within SSC.

¹¹ Accessible through the following link <https://open.undp.org>