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# CHILE'S ROLE AS A TRIANGULAR PARTNER FOR DEVELOPMENT COOPERATION

DRAFT WORKING PAPER



The institutional mission of the Chilean International Cooperation Agency (AGCI CHILE) is to contribute to the country's foreign policy objectives, creating and maintaining partnerships to facilitate technical cooperation with other countries, mainly from the Latin American and Caribbean Region, thereby positioning our country as a benchmark for best practices in public policies, governance and institutional structures, with tools for development and regional integration. Chile's cooperation is carried out primarily by professionals from public institutions, but also increasingly by academics, private sector representatives and civil society organizations, through the implementation of programs, projects and activities that permit capacity building and knowledge sharing of the Chilean experience.

AGCI was created in 1990 to manage the international cooperation received by Chile. Later, considering the relative progress in per capita income levels and the country's overall development, the institution began having a dual role: in addition to managing receptive cooperation, AGCI CHILE also began to oversee what was called at the time the "Technical Cooperation Program among Developing Countries (TCDC)"—now referred to as "Horizontal Cooperation"—initially aimed at providing scholarships

for graduate studies in Chile to students from Central American countries, based on the principles of reciprocity and solidarity. This program was then extended to include technical assistance initiatives throughout Latin America and the Caribbean.

Together with the gradual decrease in official development assistance (ODA) to Chile and the growing interest in learning about our country's institutional structures and development models, triangular cooperation became an increasingly attractive and viable option, allowing us to combine our financial and technical capabilities with those of a traditional donor country, to cooperate with a third country. Initially, triangular cooperation sought to strengthen third countries in the same areas in which Chile had previously received cooperation, in a scaling-up model. Today, triangular initiatives cover a wide range of thematic areas including: Social Protection and Development, Aid for Trade, Education and Culture, Governance and Security, Environment and Energy, Health, and the Development of Productive Sectors, focusing on specific topics where there is particular expertise or complementarity. Currently, we work with more than a dozen donor countries as triangular partners, which recognize the multiple benefits of partnering with an upper middle-income country like Chile to help mainstream financial and technical resources to other less developed countries. It is also a "graduate" relationship with Chile.

## WITH USAID

The project "Institutional Strengthening of the Integrated Agricultural and Environmental Protection Program (PIPAA)" in Guatemala is intended to support the design and validation of a proposal to create a national public-private phytosanitary inspection and certification system for agricultural export products, based on the recommendations of public-private working groups. This is a good example of a triangular project that shares a successful Chilean public-private partnership model, combining private sector expertise (the Fruit Exporters Association of Chile - ASOEX) with national capacities (Agriculture and Livestock Service - SAG). This alliance has been strongly supported by the United States, given the important trade relationship between the US and Chilean fruit exporters and the possibility to strengthen Central American countries in this area.

## WITH JICA

The project "Technical Capacity Building for Inclusive Rehabilitation in Bolivia," is training professionals in rehabilitation, based on the needs of the Bolivian public health system. The Department of Health and Sports of Bolivia established a partnership with the Universidad Mayor de San Andrés to create Occupational Therapy and Speech Therapy programs, which did not exist in Bolivia. Chilean technical assistance is provided by the Ministry of Health, the "Pedro Aguirre Cerda" National Rehabilitation Institute, and the Universidad Nacional Andrés Bello, with the support of the Japan-Chile Partnership Program, JCPP.

## WITH THE WORLD FOOD PROGRAM

The project "contribution to the reduction of hunger and poverty in Guatemala and Honduras through interventions during the 1000-day window of opportunity" is an initiative which aims to reduce the rates of child malnutrition and hunger in Guatemala and Honduras, with a focus on the "1000-day window of opportunity," by providing methodology and training to management officials. The project is a good example of the replica of a successful bilateral program "Towards Eradication of Child Malnutrition in Latin America and the Caribbean" between the Government of Chile and the WFP.

## WITH "NEW STAKEHOLDERS": THE PRIVATE SECTOR, CIVIL SOCIETY AND ACADEMIA

The project "Rebuilding Education: Escuela República de Chile in Haiti", involves the reconstruction of the educational establishment founded in 1953 that serves more than 500 Haitian girls in the heart of Port au Prince, that was significantly damaged during the earthquake of January 12, 2010. This project is unique given the multi-sectorial participation involved in its design and implementation. The Chilean government is represented by the International Cooperation Agency of Chile (AGCI); civil society and the private sector through the America Solidaria Foundation and the Komatsu Cummins Company, respectively; and Academia by the Civil Construction School of the Pontifical Catholic University of Chile (PUC). This project also contemplates the development of a plan to strengthen the school's curricula.



- ▶ **AGCI CHILE is committed to the co-management of projects**, ensuring knowledge transfer under the leadership of the South-South partner country, which is considered a crucial factor in establishing and maintaining the “horizontality” of the initiative.
- ▶ **Coordinates supply and demand.** Upon receiving a request for cooperation, AGCI verifies that Chilean technical partners have the institutional capacity to respond to the request; in some cases, it must work with the institutions to prioritize these requests. In the case of triangular cooperation, AGCI also identifies potential partners for specific projects.
- ▶ **AGCI CHILE seeks to establish synergies** (among different projects and donors), to avoid duplication with various actors in South-South partner countries.
- ▶ **Uses results-oriented tools** to monitor and evaluate projects and to systematize and replicate best practices, seeking efficiency, cost-effectiveness, and sustainability.

## ANNEX SOME EXAMPLES OF CURRENT TRIANGULAR PROJECTS WITH OUR MAIN PARTNERS

### WITH AECID

Project to “Strengthen the Management and Development of human capital in the public sector, at the service of the citizens of Paraguay” is an initiative based on a request for bilateral South-South support at the highest level (request from the President of Paraguay), based on the Paraguayan government’s interest in State Modernization. Spain was then invited to participate to add value to the project. The goal of the project is to strengthen the management and development of people working in the public sector in matters of selection processes and social inclusion, through Chilean and Spanish training and technical assistance. This is the first project implemented under the Chile-Spain Joint Fund for Triangular Cooperation, and is currently being evaluated.

### WITH GIZ AND AUSAID

The “Paraguay for All, Articulated Social Development at the Territorial Level” is a particularly innovative initiative, as it involves four partners: Paraguay, Chile, Germany and Australia. The project aims to support the implementation of social policies through the development of a multi-sectoral strategy articulated and validated at the territorial level, as well as the formulation of housing and community plans that contribute to the implementation of the strategy. This project is based on a territorial approach to social intervention aimed at poor or vulnerable populations, based on a multisectoral analysis and coordination, as well as the involvement of public and private stakeholders and local communities. The project includes consultancies, training and the construction of local social centers.

# HOW DOES CHILE UNDERSTAND TRIANGULAR COOPERATION?

We understand triangular cooperation as a model for collaboration within the international development cooperation system, in which two or more countries join efforts to share experiences, knowledge and resources, according to their respective comparative advantages, to benefit a third country or a group of countries.

We recognize, however, that this definition can also include the collaboration between one country and a multilateral agency or another actor from the international cooperation architecture, such as academia, the private sector or civil society, to benefit a third country.

For the Chilean International Cooperation Agency, Triangular Cooperation is understood as means to strengthen and complement North-South Cooperation, based on the same principles of horizontality, consensus and equality that characterize South-South Cooperation. The financial, technical and institutional possibilities it offers generally allow greater technical density and larger-scale projects than bilateral ones, as well as greater continuity and sustainability over time.

In a broader sense, triangular cooperation yields important benefits and learning for all parties involved. It generally permits more efficient and cost-effective cooperation by using public sector experts from South-South partner countries. Triangular partner countries also share their more developed methodologies for this knowledge transfer, and value is added to the context of the transfer through the cultural and linguistic heritage shared by the South-South partners, thereby maintaining horizontality during the process. This creates a relationship in which everyone wins. Additionally, triangular cooperation permits a new kind of partnership between the traditional donor country and the “graduate” country, which becomes a bridge to transfer knowledge to a third country. In this sense, Chile is contributing to the international cooperation system, collaborating with developed countries to implement their Official Development Aid, through this innovative modality of Triangular Cooperation.





RECONSTRUCTION OF THE REPUBLIC OF CHILE SCHOOL IN HAITI

TRIANGULAR PARTNER	SOUTH-SOUTH COUNTRY PARTNER	SUSCRIBED BY	DATE OF SIGNATURE	AGREEMENT, INSTRUMENT OR LEGAL FRAMEWORK
THAILAND	CELAC and South East Asia	CHILEAN GOVERNMENT	10/04/2013	Memorandum of Understanding for Trilateral Cooperation Activities in International Development between The Government of the Republic of Chile and the Government of the Kingdom of Thailand.
GERMANY	Not specified	CHILEAN GOVERNMENT	03/15/1995	Basic Agreement on Technical and Economic Cooperation with the Federal Republic of Germany.
	Not specified	CHILEAN GOVERNMENT	2007	Technical Cooperation Agreement allocating resources to the "Triangular Cooperation Fund," Regional Fund of Germany for Promotion of Triangular Cooperation in Latin America and the Caribbean. Exchange of Letters, Verbal Notes, and a Declarations of Intent for project "Paraguay for All."

SOURCE: HORIZONTAL COOPERATION DEPARTMENT, AGCI CHILE (SEPTEMBER 2013)

## THE ROLE OF AGCI CHILE AND ITS VALUE ADDED

- ▶ **AGCI CHILE** coordinates the technical cooperation offered by Chilean public institutions and services that place their professionals and knowledge at the service of international development cooperation.
- ▶ Is the only government institution authorized to manage foreign funds in Chile and abroad.
- ▶ Works in virtually all countries of Latin America and the Caribbean, and designates professionals responsible for geographic areas to better understand local contexts and to create partnerships with authorities and representatives from South-South partner countries. In 2013, a Cooperation Attaché was appointed for Central America, based in El Salvador.
- ▶ **AGCI CHILE** develops a cooperation agenda with partner countries based on demand. We hold regular meetings with representatives from our South-South partners to identify and update their cooperation priorities.
- ▶ **AGCI CHILE** is committed to the co-management of projects, ensuring knowledge transfer under the leadership of the South-South partner country, which is considered a crucial factor in establishing and maintaining the "horizontality" of the initiative.



# CHILE'S CURRENT ROLE IN INTERNATIONAL DEVELOPMENT COOPERATION

TRIANGULAR PARTNER	SOUTH-SOUTH COUNTRY PARTNER	SUSCRIBED BY	DATE OF SIGNATURE	AGREEMENT, INSTRUMENT OR LEGAL FRAMEWORK
UNITED STATES	Latin America and the Caribbean	CHILEAN GOVERNMENT	01/12/2010	"Memorandum of Understanding on Development Cooperation between Chile and the United States."
	Not specified	AGCI CHILE	02/23/2011	"Memorandum of Understanding between the United States Agency for International Development (USAID) and the International Cooperation Agency of Chile (AGCI) for implementing development cooperation activities in Third Countries."  Declarations of intent for specific projects.
ISRAEL	Countries with high poverty rates	AGCI CHILE	03/06/2011	"Agreement for South-South and Triangular Cooperation Activities between Chile and Israel".
JAPAN	Developing countries	AGCI CHILE	06/30/1999	"Chile-Japan Partnership Agreement for promoting Technical Cooperation between both countries."  Records of Discussion for each project or international course.
MEXICO	Third countries	CHILEAN GOVERNMENT	01/26/2006	"Strategic Partnership Agreement between Chile and Mexico".  Chile-Mexico Joint Cooperation Fund.
SWITZERLAND	Latin America and the Caribbean	AGCI CHILE	04/02/2013	Memorandum of Understanding between the International Cooperation Agency of Chile and the Swiss Confederation, represented by the Federal Department of External Affairs, acting through the Swiss Agency for Development and Cooperation, to implement technical cooperation activities in third countries".
EUROPEAN UNION	Third countries	CHILEAN GOVERNMENT	11/18/2002	"Agreement establishing a Partnership between the Chile and the European Community and its Member States" (Article 50 specifies that the parties agree to foster triangular cooperation programs in areas of mutual interest)
FAO	Mainly Latin America and the Caribbean	AGCI CHILE	09/23/2013	South-South and Triangular Cooperation between AGCI and FAO.
SINGAPORE	ASEAN Countries	AGCI CHILE	09/25/2013	Exchange of letters for Pilot on transparency and Good Governance in Public Policy.



As an upper-middle income country, Chile has a dual role in international development cooperation. While we still receive cooperation from developed countries in specific areas (for example, to generate clean energy sources, improve management of natural resources, and to respond to other global challenges), we have been consolidating our role as an emerging partner, offering technical assistance and human capital development to other countries in areas in which Chile has particular expertise. We do this through **Bilateral Horizontal Cooperation** and through **Triangular Cooperation** with other partners. In the case of Triangular Cooperation, Chile acts as a bridge between developed (generally OECD-DAC members) countries and developing countries, mainly from Latin America and the Caribbean, although the possibility exists of working with other regions of the world as well, depending on foreign policy priorities.

The specific role of AGCI CHILE is to add value to projects by providing contextual information, ongoing and long-term relationships with international cooperation counterparts, and supporting knowledge and experience transfer with methodologies adapted to specific challenges. Chilean national sectors and institutions provide their expertise and technical knowledge in close coordination with AGCI CHILE.

Chile has signed a number of legal instruments with its triangular partners, which differ according to the scope and objectives of the partnership or initiative, demonstrating the flexibility and adaptability of Chilean cooperation. In general, these agreements provide the legal and political framework for the cooperation relationship, specifying the thematic and geographical priorities of both partners, the coordination and management mechanisms, and financial arrangements, among other areas.

To date, Chile has signed general partnership agreements, which include an article regarding development cooperation and/or triangular cooperation (for example, partnership agreements with Spain, Mexico and the European Union); agreements between governments regarding development cooperation specifically (e.g. USA and Australia); agreements between agencies or institutions responsible for international cooperation (e.g. between AGCI and AECID, between AGCI and USAID, or between AGCI and JICA); and specific agreements for the implementation of concrete projects, which in many cases are agreements among the three countries involved.

The agreements that permit Chile to receive international cooperation are also potential instruments to share lessons learned with other countries at a later stage. Below are the main agreements currently in force (October 2013) for triangular cooperation offered by Chile:

TRIANGULAR PARTNER	SOUTH-SOUTH COUNTRY PARTNER	SUSCRIBED BY	DATE OF SIGNATURE	AGREEMENT, INSTRUMENT OR LEGAL FRAMEWORK
AUSTRALIA	Third countries, especially from Latin America and the Caribbean	CHILEAN GOVERNMENT	09/11/2012	"Memorandum of Understanding for Trilateral and Technical Cooperation Activities in International Development". Declarations of Intent for specific projects among the Parties.
IADB	Latin America and the Caribbean	AGCI CHILE	07/18/2012	"Collaboration Agreement for International Development Cooperation".
SOUTH KOREA	Not specified	AGCI CHILE	10/29/2012	"Memorandum of Understanding between the Chilean International Cooperation Agency (AGCI) and the Korea International Cooperation Agency (KOICA) to establish a partnership for International Development Activities for Third Countries". Records of Discussion for each course.
SPAIN	Not specified	CHILEAN GOVERNMENT	01/25/2013	"Chile-Spain Strategic Partnership" (chapter five is dedicated to development cooperation and an explicit mention is made to strengthening triangular cooperation).
	Latin America and the Caribbean	CHILEAN GOVERNMENT	10/20/2009	"Memorandum of Understanding between the Republic of Chile and the Kingdom of Spain for a triangular cooperation partnership" with the annex "Mixed Fund for Chile-Spain Triangular Cooperation".



# MECHANISMS FOR TRIANGULAR COOPERATION

## TRIANGULAR INITIATIVES IN WHICH CHILE IS CURRENTLY INVOLVED

(UNTIL SEPTEMBER, 2013)

AID FOR  
TRADE



TRIANGULAR PARTNER	PROJECT	YEAR INITIATED	SOUTH-SOUTH PARTNER COUNTRY
UNITED STATES	Design and implementation of an agricultural market intelligence system. (SIMAG)	2011	EL SALVADOR
MEXICO	Strengthening the Ministry of Economy of Haiti	2012	HAITI

SOCIAL PROTECTION  
& DEVELOPMENT



TRIANGULAR PARTNER	PROJECT	YEAR INITIATED	SOUTH-SOUTH PARTNER COUNTRY
GERMANY	Promoting Youth Employment in disadvantaged rural areas of the Dominican Republic	2011	DOMINICAN REPUBLIC
GERMANY-AUSTRALIA	Paraguay for all	2011	PARAGUAY
GERMANY	Methodology transfer to develop a strategy for employability and social entrepreneurship	2012	EL SALVADOR
SPAIN	Best practices in job placement and labor information systems	2012	EL SALVADOR
UNITED STATES	First National Youth Survey in the Dominican Republic	2013	DOMINICAN REPUBLIC

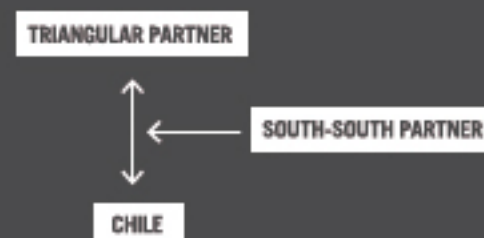


TRIANGULAR PARTNER	PROJECT	YEAR INITIATED	SOUTH-SOUTH PARTNER COUNTRY
MEXICO	Modular School Building	2013	HAITI
KOMATSU - AMERICA SOLIDARIA	Reconstruction of the Republic of Chile School in Haiti	2013	HAITI
MEXICO	Course "Spanish for Diplomats"	2013	CARICOM



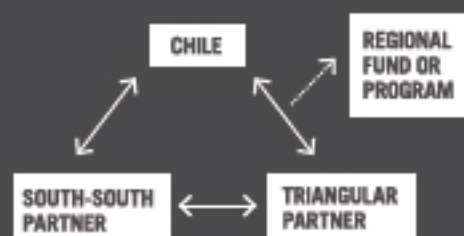
TRIANGULAR PARTNER	PROJECT	YEAR INITIATED	SOUTH-SOUTH PARTNER COUNTRY
SPAIN	Strengthening the public service secretariat	2009	PARAGUAY
UNITED STATES	ILEA course on gender-based violence/domestic violence	2013	CELAC
UNITED STATES	ILEA anti-corruption Course	2013	CELAC
USA - UNODC	Corruption and litigation in the criminal prosecution system	2013	PANAMA
GERMANY	International Cooperation Project between Chile's SERNAC and Guatemala's DIACO for Strengthening institutional management in areas of consumer protection, education and information in Guatemala	2012	GUATEMALA
UNITED STATES	Support for homicide investigation	2013	HONDURAS
SINGAPORE	Course on Transparency and Good Governance	2013	ASEAN

The relationship that Chile has established, through AGCI, with its partners (South-South and triangular partners) in triangular cooperation has been characterized by diversity and flexibility. Based on our current projects, we have identified the following triangular partnership models:



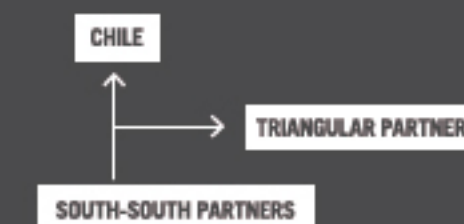
#### PRIOR ASSOCIATION BETWEEN COOPERATION PROVIDERS (MIXED FUNDS)

There is a previous association between Chile and a triangular partner (e.g. Chile-Spain and Chile-Mexico Mixed Funds), to which a South-South partner country makes a specific request for assistance.



#### ASSOCIATION AMONG ALL ACTORS

All partners involved in triangulation work together in the identification and formulation of the project, respecting the priorities of the South-South partner country and aligning them to those of the "provider" partner countries. In some cases, this association is the starting point for introducing the project to a Regional Fund (as is the case with Germany) or an established cooperation program (for example, the Japan-Chile Partnership Program --JCPP). This type of association also exists with the United States of America.



#### INITIAL ASSOCIATION BETWEEN SOUTH-SOUTH PARTNERS

The project stems from a previous relationship between South-South partners, usually a request by the South-South partner country to Chile. The South-South partners then invite a triangular partner to participate in the initiative. For example, this is the case with the projects that are being developed with Australia and New Zealand.





AGRICULTURE PROGRAM. SUPPORT FOR STRENGTHENING CAHPSA

## ENVIRONMENT & ENERGY



TRIANGULAR PARTNER	PROJECT	YEAR INITIATED	SOUTH-SOUTH PARTNER COUNTRY
GERMANY	International Cooperation Project to Strengthen Waste Management in Colombia	2012	COLOMBIA
GERMANY	Strengthening the institutional framework of the Ministry of Natural Resources and Environment in Comprehensive Solid Waste Management in Honduras	2012	HONDURAS
JAPAN	Environmental Course	2013	CELAC

## HEALTH



TRIANGULAR PARTNER	PROJECT	YEAR INITIATED	SOUTH-SOUTH PARTNER COUNTRY
JAPAN	Developing technical capacity for inclusive rehabilitation in Bolivia	2010	BOLIVIA
SPAIN	Transfusion Medicine	2012	BOLIVIA
JAPAN	Human Resource Development Course for the habilitation and rehabilitation of people with disabilities	2013	CELAC
PMA	Seguridad alimentaria y nutricional	2013	HONDURAS AND GUATEMALA





TRIANGULAR PARTNER	PROJECT	YEAR INITIATED	SOUTH-SOUTH PARTNER COUNTRY
JAPAN	Shellfish Farming Course	2013	CELAC
UNITED STATES	Implementation of an agricultural food safety system (SIPA), to allow the development of a voluntary model for the implementation of Good Agricultural Practices in harmony with Good Manufacturing Practices.	2011	EL SALVADOR
UNITED STATES	Strengthening epidemiological surveillance in veterinary services based on the implementation of a production unit registration system in a pilot zone-FORVE.	2011	EL SALVADOR
UNITED STATES	Strengthening the Pest Risk Analysis (PRA) Unit, General Directorate for Plant Protection of El Salvador.	2011	EL SALVADOR
JAPAN	Course on "Cattle raising for small- and medium-sized animal husbandry"	2013	CELAC
SOUTH KOREA	International Course on Aquaculture	2013	CELAC
UNITED STATES	Design of a national phytosanitary system for inspection and certification of agricultural export products.	2012	GUATEMALA
NEW ZEALAND	Strengthening the phytosanitary status of OECS Member States (Organization of Eastern Caribbean States).	2013	OECS
AUSTRALIA	Training for mining regulation	2013	HONDURAS
FAO	Agriculture Program. Support for strengthening CAHFSA (CARICOM's Food Safety Agency)	2013	CARICOM
FAO	Support for INDER's institutional framework	2013	COSTA RICA

SOURCE: HORIZONTAL COOPERATION DEPARTMENT, AGCI CHILE (SEPTEMBER 2013)

# TRIANGULAR PARTNERSHIP MODELS