



SOUTHERN VOICE

Institutional arrangements for South-South Cooperation in Ecuador: two case studies

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International cooperation for development is continually evolving and adapting to the global challenges that the UN 2030 Agenda for Sustainable Development tries to address. South-South Cooperation (SSC) is a form of collaboration that promotes a paradigm shift in international cooperation through an assistance framework between the countries of the South. SSC is based on various principles, among them: solidarity, respect for national sovereignty, mutual benefit, equality, mutual accountability and transparency, non-interference, and non-conditionality.

In Latin America and the Caribbean, most countries are achieving higher levels of income, but they also continue facing structural challenges. SSC is gaining strength in this region, as financial flows from the Official Development Assistance (ODA) have been drastically reduced. The case of Ecuador is no exception.

To analyse the functioning of the SSC in Ecuador, we looked at three SSC initiatives (Ecuador – Bolivia, Ecuador – Brazil and Ecuador – El Salvador) and two North-South cooperation (NSC) initiatives (Ecuador – United States of America and Ecuador – Switzerland). All projects focused on water resources management and public safety. The study allowed us to analyse the differences in institutional arrangements between the two types of cooperation. It also gave us insight into the institutional provisions of the SSC that led certain initiatives to be more successful than others. This article presents the main findings of our study.

Comparing water resources management with Bolivia and Brazil

One of the most significant results of this research came from the comparison between two SSC initiatives undertaken by the Ecuadorian Water Secretariat. The first initiative was carried out in cooperation with the Bolivian Ministry for Environment and Water. The aim was to promote joint actions for the development and strengthening of the water resources integrated management. This project was formalised through a cooperation agreement, signed by the authorities of both countries. However, it was never carried out since no budget was foreseen to finance the exchange of experiences among public officials.

The agreement established that the entities had six months to create an Action Plan with short- and long-term activities, projects and programs. It also provided that the parties would finance

the operations from their respective annual budgets and that they could seek external financing. However, neither of the two executing institutions of the agreement included items to finance the Action Plan in their annual institutional budgets. Neither did they seek external financing. It evidences the institutional weakness of the public organisations in charge of the implementation.

The second SSC initiative of the Ecuadorian Water Secretariat was in cooperation with the Ecuadorian National Institute of Meteorology and Hydrology (INAMHI) and with the Brazilian National Water Agency. Unlike the case of Bolivia, this SSC initiative was successful due to the intervention of a fourth fundamental actor for the financing and execution of the activities: the Brazilian Cooperation Agency (ABC).

Indeed, this cooperation was of a much broader scope than the agreement with Bolivia. It included technical assistance, but also capacity building, equipment implementation and exchange of experiences. The Brazilian government financed the project mainly through ABC, its international cooperation agency, which has extensive resources and capabilities. It is experienced in the implementation of cooperation with other countries. ABC coordinated the collaboration between both countries, financing 58,3% of the project. The Brazilian National Water Agency was responsible for the design and the technical execution of the project. It paid 22,5% of the venture. 100% of its contribution was in kind, through the quantification of their technicians' working hours. The Ecuadorian Water Secretariat and INAMHI financed 19,2% of the initiative. 46% of their contribution was in kind, also through the quantification of their technicians' working hours.

ABC's institutional capacity also reflects in the way it technically manages its operations. The agreements reached by the joint commission are subsequently set in project formats that contain very detailed information on the project's execution. Project documents include a diagnosis, work plan, logical framework, products, activities, indicators, expected results, schedule, budget, obligations of each party (coordinating agencies and executing institutions) and a sustainability strategy.

ABC's financial and institutional capacity was pivotal. It made the generation of successful agreements and the achievement of significant results for the management of Ecuador's water resources possible.

Final thoughts

The analysis of these two SSC experiences shows us what is essential in institutional arrangements for the SSC to be successful. The alliance with a strong SSC provider country, like Brazil, and the existence of an institutional muscle with financial capacity, like ABC, allowed Ecuadorian institutions to benefit from this cooperation process as a recipient country.

In fact, according to the Ecuadorian Ministry of Foreign Affairs' (MFAE) representatives, the primary current deficiency of the SSC initiatives is the lack of budget and funding among countries involved. It means that these initiatives are short-term-planned and not sustainable over time. To counter this situation, Ecuador is developing initiatives to strengthen its role in the SSC. In 2019, the MFAE and the United Nations Development Program (UNDP) signed an agreement for the implementation of the National Fund for South-South and Triangular Cooperation. UNDP will administer the fund to finance programs of horizontal cooperation

offered and needed by public institutions in the country. The final results of this fund remain to be seen.