



Juliane Kolsdorf | Ulrich Müller [eds.]

# Transforming International Cooperation

Thoughts and Perspectives on Moving Beyond Aid



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**Nomos**

**giz** Deutsche Gesellschaft  
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Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH  
Dag-Hammarskjöld-Weg 1-5  
65760 Eschborn, Germany  
[www.giz.de](http://www.giz.de)

[juliane.kolsdorf@giz.de](mailto:juliane.kolsdorf@giz.de)  
[ulrich.mueller@giz.de](mailto:ulrich.mueller@giz.de)

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## Preface

*The formula is more international cooperation.*

António Guterres, UN Secretary General, in September 2019,  
on his formula for addressing critical global issues

Development policy and the system of international cooperation are in constant flux and change, just like the world and its global order itself. Nevertheless, some of its features and structures remain rigid and untouched, often due to a lack of alternatives, whether perceived or real. This as such is not new and we, who have been working in this field for many years, are constantly dealing with these discrepancies, trying to minimise the gaps between normative intentions, societal necessities and political reality, together with our clients and partners. However, the world has become much more complex in recent years, and fundamental changes are happening at a faster pace. New actors are taking their places on the main stage – be it emerging countries, popular movements or private sector giants – while routine partnerships have come under new scrutiny. New technologies are connecting people and changing access to information, knowledge and solutions, but may also create risks that we haven't imagined yet. Many of today's challenges, such as inequality, societal reconciliation or the effects of climate-related events, are facing countries in the North and South alike.

This publication circles around a topic that combines the 'old' and the 'new' in international cooperation.

Since 1969, the concept of Official Development Assistance (ODA) has been the framework for cooperation between 'developed' and 'developing' countries, based exclusively on the assessment of their income per capita. A new situation in our growing world economy has emerged out of this very categorisation: an increasing number of countries, including G20 members such as China, Brazil or Turkey, but also a range of medium-sized and small (island) countries, are moving towards the high-income category – and thereby towards 'graduation' from ODA. Regardless of the categorisation of these countries, serious challenges to sustainable development often persist, such as high degrees of social or regional inequality or great exposure to external shocks. Moreover, with the world facing serious global crises with respect to climate change, violent conflict and the spread of infectious diseases, it is more important than ever to invest in global partnerships.

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These transition processes must be also embedded in the broader political context and the major reforms of the development cooperation logic, set out mainly through the 2030 Agenda and the Sustainable Development Goals (SDGs). Under the new paradigm of universality, must we not question traditional structures, such as the donor-recipient logic and the narrow focus on income as a measurement of a country's development? Countries like Mexico, Chile, Uruguay or Indonesia have long demanded a different understanding of cooperation, including a truly mutual approach to learning and contributing solutions, and additional 'developing' countries are joining this call. It is important for international partners to understand and consider the demands and needs of countries moving towards graduation from ODA. How can the experiences and lessons of graduated countries feed into our modes of cooperation with other countries in transition? How can well-established, trustful relationships be secured and modernised in a post-ODA setting in order for us to jointly achieve our goals, as set out in the 2030 Agenda?

Together, we need to go even further and raise the question of to what extent the concept of graduation from ODA and the changing development cooperation system mutually affect and shape each other. How can we organise our work in a setting where the dichotomic distinction between 'donor' and 'recipient' no longer exists, to ensure that all actors needed to find the right solution can bring their share to the table? How can we make the best of our complex world, not without ODA, but with smart options for sustainable development and cooperation beyond categories? Last but not least: what does that mean for the ODA-regime itself?

By setting up a research-oriented project in 2018, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) aimed to shed light on ODA graduation processes and their implications for countries in transition, for international partners and for the development cooperation system as such.

As a first component, GIZ supported the Overseas Development Institute (ODI) in conducting case studies to analyse the experiences and needs of four countries at different stages of graduation (Botswana, Mexico, Chile and South Korea). These were published by ODI in December 2019, and we would like to express our gratitude to the authors Annalisa Prizzon and Rachael Calleja for their thorough and enriching research, and to our colleagues involved – specifically at the respective country offices – for their dedicated support.

In the second part of the project, the findings of these studies served as a fundamental basis from which to enhance and expand the discussion on ODA graduation. In a series of fresh and fruitful dialogues, policymakers, practitioners and academics from more than 15 African, American, Asian and European countries embedded the topic in the global political context and the ongoing changes in development cooperation, focusing on a range of systemic questions

surrounding the matter of ODA graduation and linking the topic to other debates on cooperation in the SDG era.

The result of these discussions is the collection of ideas and perspectives that you are holding in your hands. We hope it may contribute inspiring thoughts to the realisation of the ‘new’ system of international development cooperation: living out universality and vivid global partnerships, while leaving no one behind, with a smart use of ODA – and beyond.

Eschborn, May 2020

Dr Elke Siehl, Director of Corporate Development, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Dr Dirk Aßmann, Director General of the Sectoral Department, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

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## List of abbreviations

AAAA	Addis Ababa Action Agenda
AFRODAD	African Forum and Network on Debt and Development
AMEXCID	Agencia Mexicana de Cooperación Internacional para el Desarrollo (Mexican Agency for International Development Cooperation)
ASEAN	Association of Southeast Asian Nations
AU	African Union
AUCI	Agencia Uruguay de Cooperación Internacional (Uruguayan Agency for International Cooperation)
AUDA-NEPAD	African Union Development Agency – New Partnership for Africa’s Development
BAPA	Buenos Aires Plan for Action
BAPA+40	Second United Nations High-level Conference on South-South Cooperation
BRICS	Brazil, Russia, India, China, South Africa
BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (German Federal Ministry for Economic Cooperation and Development)
CSO	Civil Society Organisation
CSR	Corporate Social Responsibility
DAC	OECD Development Assistance Committee
DCD	OECD Development Co-operation Directorate
DEval	Deutsches Evaluierungsinstitut der Entwicklungszusammenarbeit (German Institute for Development Evaluation)
DFID	Department for International Development, UK
DG DEVCO	European Commission’s Directorate General for International Cooperation and Development

*List of abbreviations*

DIE	Deutsches Institut für Entwicklungspolitik (German Development Institute, GDI)
ECLAC	United Nations Economic Commission for Latin America and the Caribbean
EU	European Union
FCO	Foreign and Commonwealth Office, UK
FfD	Financing for Development
FSD	Financing for Sustainable Development
FOCAC	Forum on China-Africa Cooperation
G7	Group of 7
G20	Group of 20
GDP	Gross Domestic Product
GFATM	Global Fund against AIDS, Tuberculosis and Malaria
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (German Agency for International Cooperation)  Before 2011: Deutsche Gesellschaft für Technische Zusammenarbeit GmbH (GTZ), Deutscher Entwicklungsdienst (DED) and Internationale Weiterbildung und Entwicklung GmbH (InWEnt)
GNI	Gross National Income
HIC	High-Income Country
HIPC	Heavily Indebted Poor Country
IDA	International Development Association
IDFC	International Development Finance Club
IsDB	Islamic Development Bank
IMF	International Monetary Fund
INGO	International Non-Governmental Organisation
INTRAC	International NGO Training and Research Centre
KfW	Kreditanstalt für Wiederaufbau (German Bank for Reconstruction and Development)

LDC	Least Developed Country
LMIC	Lower-Middle Income Country
MDB	Multilateral Development Bank
MDG	Millennium Development Goal
MDRI	Multilateral Debt Relief Initiative
MENA	Middle East and North Africa
MERCOSUR	Mercado Común del Sur (Southern Common Market)
MIC	Middle-Income Country
MPI	Multidimensional Poverty Index
NAMA	Nationally Appropriate Mitigation Action
NeST	Network of Southern Think Tanks
NGO	Non-Governmental Organisation
ODA	Official Development Assistance
ODI	Overseas Development Institute
OECD	Organisation for Economic Co-operation and Development
OOF	Other Official Flows
SAIIA	South African Institute of International Affairs
SDC	Swiss Agency for Development and Cooperation
SDG	Sustainable Development Goal
SECO	Swiss State Secretariat for Economic Affairs
SEGIB	Secretaría General Iberoamericana (Ibero-American General Secretariat)
Sida	Swedish International Development Cooperation Agency
SIDS	Small Island Development State
SME	Small and Medium Enterprise
SSC	South-South Cooperation
TICAD	Tokyo International Conference of African Development

*List of abbreviations*

TrC	Triangular Cooperation
TOSSD	Total Official Support for Sustainable Development
UK	United Kingdom
UMIC	Upper-Middle Income Country
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UN-DESA	UN's Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNGA	United Nations General Assembly
UNOSSC	United Nations Office for South-South Cooperation
US	United States of America
USAID	United States Agency for International Development
USD	United States Dollar
WBGU	Wissenschaftlicher Beirat der Bundesregierung Globale Umweltveränderungen (German Advisory Council on Global Change)
WTO	World Trade Organization