Importance of South-South Cooperation: Strengthening Trade Capacity of MSMEs in the Greater Caribbean

In recent years we have witnessed the changing face of development assistance and aid donors. Traditionally, aid and development support have come from developed country sources, such as European, and North American Countries. Over the last few years there has been a broader framework for Development Cooperation which sees developing countries taking a more prominent role in the donor line-up. The title which has been prescribed to this change in the current of support is “South- South Cooperation (SSC).”

South –South Cooperation is “a broad framework for collaboration among countries of the South in the political, economic, social, cultural, environmental and technical domains. Involving two or more developing countries, it can take place on a bilateral, regional, sub regional or interregional basis. Developing countries share knowledge, skills, expertise and resources to meet their development goals through concerted efforts. Recent developments in South-South cooperation have taken the form of increased volume of South-South trade, South-South flows of foreign direct investment, movements towards regional integration, technology transfers, sharing of solutions and experts, and other forms of exchanges.” (United Nations Office for South-South Cooperation, 2015)

South-South Cooperation is managed by the developing countries themselves with active participation in the process from government, public and private sector actors, academia, institutions, non-governmental organizations (NGOs) amongst others. It has been noted by the United Nations Office for South-South Cooperation that SSC involves “different and evolving methods, including the sharing of knowledge and experience, training, technology transfer, financial and monetary cooperation and in-kind contributions. South-South cooperation can include different sectors and be bilateral, multilateral, sub regional, regional or interregional in nature.”

So why have countries of the “global south” made the choice to turn to each other in order to advance their economic growth and development? What benefits are there to be derived by linking resources, and capabilities in a common pool? What do countries hope to achieve through the strengthening of ties between developing country neighbours? The goals of SSC for developing countries, as highlighted by the United Nations, are focused on:

fostering the self-reliance of developing countries by enhancing their creative capacity to find solutions to their development problems in keeping with their aspirations, values and special needs;

promoting and strengthening collective self-reliance among developing countries through the exchange of experiences; the pooling, sharing and use of technical and other resources; and the development of complementary capacities;

strengthening the capacity of developing countries to identify and analyse together their main development issues and formulate the requisite strategies to address them;

increasing the quantity and enhance the quality of international development cooperation through the pooling of capacities to improve the effectiveness of the resources devoted to such cooperation;

creating and strengthening existing technological capacities in the developing countries in order to improve the effectiveness with which such capacities are used and to improve the capacity of developing countries to absorb and adapt technology and skills to meet their specific developmental needs;

increasing and improving communications among developing countries, leading to a greater awareness of common problems and wider access to available knowledge and experience as well as the creation of new knowledge in tackling development problems;

recognizing and responding to the problems and requirements of the least developed countries, land-locked developing countries, small island developing States, and the countries most seriously affected by, for example, natural disasters and other crises; and

enabling developing countries to achieve a greater degree of participation in international economic activities and to expand international cooperation for development.

All of these objectives, when approached and undertaken within the most optimal environment will lead to benefits such as the strengthening of the voice and bargaining power of developing countries in multilateral negotiations; opening of additional channels of communication among developing countries; promotion and strengthening of economic integration among developing countries on as wide a geographic basis as possible; increased knowledge of and confidence in the capacities available in developing countries; and the coordination of policies on development issues relevant to a number of developing countries.

When the Association of Caribbean States (ACS) established on 24th July 1994 the term South-South Cooperation was not used as a part of the nomenclature defining the purposes and aims of the Organization. The ACS was viewed as a part of a second generation, modern, outward-looking integration organization that could build a bridge between the English speaking countries in the Caribbean and their Spanish, French, and Dutch speaking neighbours, creating what is now referred to as the Greater Caribbean. A history forged by the waters of the Caribbean Sea, and tides which by virtue of descent are expected to bring us to shores of sustainable development.

However, as stated in the Convention Establishing the ACS, its primary purpose is to be an organization for “consultation, cooperation and concerted action” for its member countries. Its framework provides a forum for political dialogue that allows Members the opportunity to identify areas of common interest and concern that may be addressed at the regional level, and the solutions for which can be found through cooperation. At the heart of it, the ACS is a stellar example of South –South Cooperation manifested within an Organization. From its inception and to date the Association continues to push cooperation and partnership between developing countries for holistic benefits for all Member States.

Current programmes and projects within the ACS thematic areas of work fit squarely into the South-South cooperation mould. The Government of Mexico is currently sponsoring four major projects in the areas of Trade, Transport and Disaster Risk Reduction. Martinique is a partner for the development of the Regional Cooperation Mechanism of the Sustainable Tourism Zone of the Greater Caribbean, while Guadeloupe is supporting the Language Emersion Programme within the Region. These activities bear testament to the objectives of SSC and the requisite benefits that redound to Member States as a result of support and resources offered by these developing country partners towards the development of projects for the Regional Good.

The most recent inductee in the ACS SSC team is the Government of Colombia. As a part of the process in addressing MSMEs concerns within the Region, the Association of Caribbean States (ACS), joined with the Ministry of Commerce, Industry and Tourism of the Republic of Colombia to hold the "Workshop for the Development and Strengthening of MSMEs (Micro Small and Medium Enterprises) in the Caribbean Region" from 11th-13th November 2015 in Bogota, Colombia, with participation of nineteen (19) ACS Member countries.

This Workshop was aimed at highlighting the Colombian context - its experiences, its support policies for MSMEs, and entrepreneurship, and the on-going work which is being undertaken in the development and strengthening of the MSME sector within Colombia. Through the sharing of knowledge and experience the workshop intended to transfer best practices and policies in business development and entrepreneurship to Regional MSME practitioners.

The three (3) days of intensive sessions featured presentations by experts from leading institutions supporting MSMEs and entrepreneurship in Colombia. It also featured the participation of public institutions, Member States of the Greater Caribbean, which offered a wide range of instruments both financial and technical, to the development and growth of MSMEs.

Emanating from working group sessions participants were able to identify in areas/issues of major concern, as well as develop possible activities and mechanisms through which the identified concerns could be effectively addressed in programmes or projects implemented in the ACS member countries,.

The Ministry of Commerce, Industry and Tourism of the Government of Colombia along with the Presidential Agency for International Cooperation of Cooperation (APC) and the ACS Directorate of Trade Development and External Economic Relations will undertake the full development of proposals presented in the workshop in the three main project documents.

As a result three (3) projects focusing on Financial and Non-Financial Assistance, Internationalization and Entrepreneurship, Formalization and Social Inclusion will be put forward with the support and sponsorship of the Government of Colombia through the APC, and will be geared towards strengthening MSMEs of the Greater Caribbean Region. These projects represent concrete steps in the development and growth of the MSMEs sector, as well as representing concrete benefits for the Member States of the ACS Region.

Regional Cooperation continues to be a critical component in the building of a sustainable Greater

Caribbean Civilization. The concept of South-South Cooperation is infused in the core of many ACS programmes and project activities. SSC tenets continue to be realized and strengthened to the benefit of Member and Associate Member States of the Association. As the Organization continues, may the ties that bind be reinforced through closer and deeper cooperation, collaboration and concerted effort.