



**KDI Center for International Development &
OECD Development Centre**

**Joint Workshop on
*Knowledge Sharing for Development: Taking Stock of Best Practices***

SYNTHESIS REPORT

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KEY MESSAGES

Knowledge sharing happens all the time, but the role of knowledge sharing as a tool for capacity development is not always obvious. Knowledge sharing is different from knowledge transfer or knowledge management in that it encompasses the concept of capacity development and ownership. Effective knowledge sharing should be demand-driven and involve interaction among peers.

The end of the Cold War, acceleration of globalization, and resurgence of “emerging” countries have dramatically transformed the international development landscape. The emergence of new sources of growth and aggregate demand in the world economy, combined with better domestic economic management, has led to increased fiscal and policy space for developing countries. This in turn opens up opportunities for experimentation on the design of development strategies and policies, thereby expanding demand for relevant knowledge.

Sharing knowledge about successes and failures will become an increasingly important tool for policy makers to learn and adapt the experience of others to their own context and make their own innovations. Developing countries seeking knowledge are often faced with external and internal barriers – more efforts should be placed, including by the international community, on strengthening their capacity to identify their knowledge needs and engage with them actively. Developing countries are also important repository of knowledge and should be more systematically engaged in horizontal partnerships to move from passive knowledge recipients to knowledge generators.

Experiences should be sought not only from other countries but also from within the country and knowledge sharing should not be limited to central governments. On the one hand, sub-national governments are entrusted with greater responsibilities and often lack relevant capacities. On the other hand, a wealth of local knowledge remains under-exploited as it is not shared across the country. Central, regional and local governments and stakeholders need to interact more systematically and effectively in exchanging experiences.

Knowledge sharing exercises should look not only at the content of policies, but also at their design and implementation aspects. Evidence on making reforms happen suggests that early involvement of the different stakeholders – local government, private sector, consumers, farmers – in the policy-making process facilitates implementation of policy reforms.

More generally, the political aspect is an indispensable feature of knowledge sharing. Knowledge brokers must look at knowledge sharing in terms of interest and power and ensure that knowledge sharing is mutually beneficial and enhances the collective common wealth. There is a general assumption that knowledge for development is a public good that needs to be shared. However the current state of governance may militate against knowledge circulation to the benefit of the low-income countries, especially the least developed ones.

International organisations, donors and partner countries all have an important role to play in brokering knowledge – but brokering should take into account the needs of end-users and leave room for a diverse and tailored form of learning, to ensure that appropriate knowledge is shared at the right time and internalised.

Emerging good practices in knowledge sharing suggest that:

- Knowledge sharing should be demand-driven;
- Knowledge sharing activities must combine explicit and tacit knowledge, accompanied by regular consultations with peers throughout the process;
- Knowledge sharing should feed into a national strategy or plan to ensure follow-up and ownership;
- Knowledge sharing must be sequenced to the policy making process;
- Knowledge sharing mechanisms must ensure that knowledge gets to the end users, e.g. farmers, consumers;
- Knowledge seekers must be able to clearly identify their needs and articulate their demands. In this respect, non-governmental stakeholders, such as academia and the private sector, have an important role to play;
- Peer-to-peer interaction is critical for capacity development and tacit knowledge exchange, and also as a source of inspiration for change.

The G-20 has an important role to play to promote more effective knowledge sharing. G20 members host a wealth of knowledge on development strategies and policies, as well as on how to implement reforms. They should systematically engage in knowledge sharing exercises, by leveraging on existing platforms and involving developing countries. But the G20 can also play a crucial role to promote a global enabling environment that fosters knowledge as a public good, including by considering how the current system of intellectual property rights may constrain effective access and sharing.

INTRODUCTION

The workshop was an opportunity to get a better understanding of how we promote knowledge sharing for better development policies. Designing and implementing policies for development is more than having good policies in specific sectors. It is about how these different policies come together into a coherent strategy. Understanding the right policy mix and the sequencing of different policies is much needed in OECD and developing countries. The aim of the workshop is to contribute to the G20 and HLF-4 reflections on knowledge sharing for development.

Session Summary

- Knowledge sharing on fiscal reforms is crucial to create fiscal space needed for countries to design their own development strategies.
- Peer-to-peer interaction is a critical success factor of knowledge sharing for capacity development and the most effective way to exchange tacit knowledge and build horizontal partnerships.
- Knowledge sharing activities must combine explicit and tacit knowledge, and be accompanied by a regular consultation process and evidence-based recommendations.
- The importance of knowledge sharing within a country (central, regional and local governments) has been largely overlooked.
- Ownership and link to national policies and development strategies will ensure that knowledge is applicable to the local context. Knowledge sharing must therefore be demand-driven.

KDI

As Korea's leading think tank on economic and social development, KDI has internationally made great efforts to share Korea's development experience and knowledge with other countries, primarily through Korea's Knowledge Sharing Program (KSP), which aims to contribute to capacity development and institution building in partner countries through policy consultation based on peer-to-peer interaction. In addition, KDI has been leading research projects on the systemization and modularization of Korea's development experience and provide benchmark case studies, such as the 'New Village Movement' (Saemaul Undong).

During the G20 presidency in 2010, Korea contributed greatly to adding development on the G20 agenda. Korea, which exited from aid through export-oriented industrialization and human resource development, put emphasis on growth-oriented approaches to development. Moreover, it emphasised knowledge sharing as a tool for development, which is the 9th pillar of the G20 Multi Year Action Plan on Development.

Four important lessons on knowledge sharing from Korea's experience can be drawn:

1. Knowledge sharing must involve policy makers and practioners who have first hand experience in the reform process and understand the inherent capacity and political economic constraints of those reform processes.

2. Peer-to-peer learning among policy makers and practitioners tend to lead to strong motivations, both on the supply and demand side, by creating horizontal partnerships.
3. The use of instruments such as practitioner networks, communities of practice and well-designed ICT can enhance cost-effective learning process.
4. A demand-driven approach should be adopted if brokering is to be effective.

OECD

The G20 has to put the global economy back on a strong, sustainable and balanced growth path. Addressing development gaps is part and parcel of this objective. The production and sharing of knowledge plays a key role in the implementation of the G20 Framework and the OECD is actively contributing to this exercise.

Production of knowledge is a key driver of growth. The OECD has intensified its analyses that put knowledge at the heart of growth trajectories, such as the OECD's Innovation Strategy. The OECD Green Growth Strategy also looks at knowledge, not just green innovation, but also from a broader concept of educating both consumers and producers on how to live differently, looking at *changing* knowledge. Another project on 'new sources of growth', which is about intangible assets, is underway. All these are horizontal strategies, which require the whole of OECD to work on them together, forcing us to find linkages across sectors and disciplines.

Sharing knowledge on growth policies is at the heart of the OECD mandate. The OECD was created to look at best practices in our membership and beyond and share those practices to learn from each other. The greatest strength and challenge at the same time of the G20 is its diverse group of countries with different growth trajectories and institutions – how to find common solutions? This is part of OECD's 50 years of experience, and we are increasingly engaging with non-members, spearheaded by the Development Centre, to share knowledge and enrich our own knowledge base. The OECD Ministerial in May asked the OECD to prepare a strategy for development, and knowledge sharing will constitute a very important element in it.

OECD Development Centre

The last couple of decades witnessed a shift in wealth taking place towards East and South. The emergence of new external partners and sources of growth, combined with better economic management in many developing countries, notably in Africa, are increasing the policy space available for these governments. There is now an increasing recognition that "there is an alternative", as different development strategies can be pursued. The new policy space explains this growing demand for knowledge and the emphasis on ensuring an effective brokering of demand and supply.

With these new opportunities and expanded supply of knowledge however comes the challenge of relative poverty. Increased investment opportunities are not fully matched by better incomes, creating concerns for social cohesion. Strengthening sustainable societies also implies a concern for maintaining sustainable economies, i.e. immediate gains versus maintaining a competitive advantage in the world economy through increased productivity.

Both International Organisations (IOs) and countries play a role here. But knowledge sharing means policy dialogue, not simply disseminating the stock of knowledge. There are different contexts and different models of growth which require different types of knowledge and policy tools. Interaction and

engagement with non-state actors, e.g. the private sector, think tanks, and foundations are also necessary to make knowledge a public good. For instance, firms that operate in emerging economies and developing countries often find their greatest challenges in the limited capacity of governments to clarify the rules of the game.

For this reason, the OECD Development Centre engages governments in knowledge sharing, organising knowledge networks by regions, e.g. Latin America on innovation and Africa on public expenditure, and engaging a varied set of actors, including think tanks and firms. Knowledge sharing requires face to face relationships as the knowledge required is often a tacit one, but codified knowledge – results of analysis – is important too. Knowledge by analysis and dialogue need to be integrated.

Sharing knowledge on specific policies is important but not enough. Knowledge sharing partnerships should also aim at strengthening the capacity to elaborate growth and development strategies – as a framework for prioritising and sequencing specific policies. Effective implementation will require fiscal space, i.e. fiscal resources. In Africa, groups of countries have reached fiscal revenues of 20% to 30%, but there are still too many that depend on aid. In Latin America, when looking at the GINI before and after taxes, we see that there is not much difference. This has to do with fiscal policies. Fiscal reform is urgently needed. Knowledge sharing on the political economy of reform will therefore be important but also on how to diversify the economy and increase competitiveness.

A lot can be learned among developing countries, as well as with developed countries. Its diverse membership, which includes OECD and non-OECD countries, makes the Development Centre an inclusive knowledge sharing platform.

KDI Center for International Development

In the G20 Seoul Development Consensus there are nine development pillars – the first four deal with enhancing growth potentials (infrastructure, human resource development, trade, and private investment and job creation), the next four deal with managing social and economic risks (financial inclusion, growth with resilience, food security, and domestic resource mobilization), and finally knowledge sharing, as the 9th pillar, is to be mainstreamed in the other pillars.

Knowledge sharing is being strengthened and mainstreamed, starting with a few pilot pillars such as growth with resilience. A template should be prepared to ensure high-quality case studies and effective brokering and implementation. Broadening knowledge, as the G20 asked, means that knowledge must come from OECD, developing countries and LICs as all provide interesting policy experiments. However it is also important to expand this knowledge to the people on the ground. This is the issue of democratizing knowledge.

What would be an effective way to promote knowledge sharing for development? Imagine a two-stage process consisting of “Wikipedia” and “Facebook,” or general infrastructure and customized consultation for knowledge sharing:

1. General infrastructure for knowledge sharing:
 - Knowledge sharing platform. This is a search-and-match platform that provides practical information on development solutions and case studies. It could be organised by sector with International Organisations playing a supportive role (e.g. World Bank on infrastructure, UN on food security, and OECD on growth with resilience). A common quality standard should be

- applied to make the knowledge sharing platform(s) more accessible for suppliers and demanders.
- Knowledge sharing network. This is a network of government officials, experts, and practitioners with an intimate knowledge of development challenges.
 - Knowledge sharing forum: This is a regularly held policy dialogue to share knowledge on policy challenges.
2. Customized consultation for knowledge sharing: This aims to contribute to capacity development and institution building by addressing specific policy challenges. Activities include interviews and meetings, joint research and dialogue, study tours, and seminars, with a view toward building cross-country and within-country partnerships. For example, Korea's Knowledge Sharing Programme (KSP) sets up two country teams with government officials, experts, and practitioners on either side. The emphasis here is on peer-to-peer interaction as it not only facilitates tacit knowledge exchange but also creates empathy and inspiration. This helps to build cross-country partnerships. For effective policy implementation, coalition building among government officials, experts, and practitioners is also important. This is the within-country partnership aspect.

KDI's KSP project with the Dominican Republic on export development provides a good example of knowledge sharing. Political support at the highest level (President) helped build within-country partnerships necessary for policy reform to happen. The KSP project included joint research and exchanges of visits between Korea and the Dominican Republic involving government officials, experts, and practitioners, including business executives. Study tours to relevant markets, companies, and local sites helped the participants to see for themselves how exports could be promoted. KSP provided recommendations on how to move to higher value added sectors to ensure a sustainable export development for the Dominican Republic.

ODI

The process of knowledge sharing – co-constructing on existing systems, bringing together policy makers and practitioners aware of the political economy in which they work – is critical for successful policy change. ODI looked at how knowledge gets into policy in practice and found that the political factors, not knowledge gaps, are the main set of constraints to innovation. Where, how and when knowledge is shared can have a huge impact on policy. For example, Tanzania's essential health improvement programme, a simple disease prevalence study at district level, reoriented the national programme to achieve significant reduction in infant mortality.

There are 6500 think tanks worldwide, 3000 in developing world, 1500 in Asia, and the rest in Africa and Latin America. There is increasing investment going into think tanks, e.g. African Capacity Building Foundation (ACBF), Open Society Institute and Hewlett-Gates Foundation will invest USD 110 million over the next 5 years in think tanks globally. Many primarily deal with information exchange, others work as development gateways or as brokers to bring together policy makers and researcher on particular topics and increasingly social networks have development focus. In addition there are specific knowledge networks promoted leading up to the G20 in Seoul (Brazil on biofuel, Korea on infrastructure, Germany on innovation and inclusive business, Indonesia on community driven development and SSC). It is important to support existing initiatives, such as CIARD on agricultural research, and not to duplicate or replace them.

Open discussion

What kind of knowledge do we share with whom? An OECD Development Centre comparative study on the evolution of the GINI coefficient before and after tax shows that neither Brazil nor Argentina has significantly reduced inequality compared to what Europe was able to do. And yet Oportunidades and Bolsa Familia are discussed all over the world as the most successful redistributive programmes. But we are not having the same discourse over tax and what Europe has achieved in terms of reducing inequality. We need to think about knowledge sharing in terms of interest and power. The interface between intellectual integrity and institutional positioning in the larger international community becomes crucial.

How do we choose the appropriate knowledge so that it leads to sustainable development? For knowledge sharing to be successful it should feed into policy, but it should be actually implemented by the different development actors (government, private sector, IFIs, IOs, NGOs, etc.). The sharing can become sustainable only when there are some actors that are able and willing to execute the change needed, e.g. budget increase. Knowledge sharing should be linked to development results.

How to translate knowledge into action, i.e. implement reform. For bilateral cooperation, it is important to allow different forms of learning. Learning and translating knowledge into practice will differ in Asia, Latin America or Africa. How to organise the learning process is important for capacity building. A success factor for multilaterals and donor agencies is to facilitate knowledge sharing through ownership, letting partners find their own innovative solutions.

What we have been largely ignoring is knowledge sharing within the country. Countries which have failed to deliver services and failed to build their countries. How can we facilitate internal learning? There needs to be more internal exchange and visits among central, regional and local governments. In OECD countries for example, 70% of public investments are done by local authorities.

SESSION 1: KNOWLEDGE SHARING METHODOLOGIES – WHAT WORKS?

Knowledge sharing happens in multilateral or bilateral settings, in formal, informal or virtual platforms, in tacit or codified forms. Effective transfer of knowledge requires taking into account the local institutional context and capacities. This session will look at the different knowledge sharing methodologies identified by the G-20 Development Working Group and discuss key success factors for capacity building in developing countries.

Session Summary

- The most difficult part in knowledge sharing process is the brokering between demand and supply of knowledge. Ensuring ownership of the learning process by developing countries will help identify the appropriate knowledge, and minimise the risk of influence by ideology or interest.
- Knowledge sharing is a mutual learning process. Any country can be both source and recipient of knowledge. Relevant knowledge is often not codified but tacit. This is why recurrent interaction is necessary both between individuals and institutions.
- The issue of systematic knowledge sharing through bilateral or multilateral platforms is a highly political one. There is a general assumption that knowledge about development is a public good that needs to be shared. But because of intellectual property rights, the current state of governance may militate against knowledge sharing. The G-20 will have to deal with the reform of the global governance structure.

Ministry of Strategy and Finance (MOSF), Korea

Many countries wanted to know how Korea achieved its development, and how they could apply the experience of Korea to their own context. This is why in 2004 Korea launched the Knowledge Sharing Programme (KSP).

The first step is to collect codified knowledge on Korea's experience using a standardized approach. A database on exemplary cases was built, documenting both failed and successful experiences. All ministries and agencies as well as the private sector participated in this project. Each case study describes the background of a policy, its contents, process of implementation, evaluation of outcome, and implication for partner countries. It documents the facts, explains the issue and how they came up with the solution. Recorded interviews allow storing live experience.

The second step is to provide bilateral policy consultation to the partner countries, combining technical assistance, training, and dispatching experts. The KSP provides customized recommendation, directly involving actual policy makers and practitioners, and ensuring ownership and leadership of the partner country. It is a mutual learning process, rather than a one-way transfer of experience. Experts from both countries carry-out research and analysis on the partner country's environment and objectives. Consensus on the recommendations is built-up by direct dialogue with the decision-makers.

Once the KSP project is finished, Korea provides financial support and technical assistance for implementation, identifying the partner country's priorities in a demand-driven manner. KSP is linked with other ODA projects. KSP is not only for ODA-recipient countries, but to any country interested in Korea's experience.

MOSF is in charge of the strategy, supervising, and funding the KSP. KDI conducts research and communicates with the partner countries. The programme started in Asia and then expanded to Latin America and Africa. Collaboration with international organisations (World Bank and Regional Development Banks) increases the sharing of Korea's experience.

To reach a wide consensus, knowledge sharing requires a strong political commitment and the engagement of various stakeholders. Face-to-face discussions enables policy makers them to come up with realistic measures. International organisations need to match demand and supply. They can also promote sectoral knowledge sharing networks, such as communities of practice.

OECD

The OECD welcomes the Korean initiative to add knowledge sharing to the G-20 development discussions. There is now an agreement that aid policies are part of the solution to reduce development gaps, but are not enough. There is also increased recognition that there is no unique development model and today developing countries face a broad range of development experiences and policy options. However, greater choice does not guarantee effective knowledge sharing and its adaptation to local needs.

The OECD itself is a knowledge producing and sharing organisation. It does not provide financing or support projects. It gathers policy makers and experts with knowledge around the table to discuss relevant issues. The OECD contribution to knowledge sharing takes various forms:

1. Systematic policy reviews, allowing for benchmarking and measuring progress.
2. Peer-reviews of member countries, providing policy-makers with recommendations from colleagues who face similar challenges in specific areas.
3. Global fora, regional initiatives and networks, which foster interaction and exchange of experiences.

OECD knowledge-sharing platforms are created for member countries, but they also increasingly include non-member countries. As part of the G-20 mandate on knowledge sharing, the OECD reviewed 29 knowledge platforms that involve non-OECD countries in areas related to the nine pillars of the G20 Multi Year Action Plan on Development. Many more exist on other policy areas, such as environment or energy.

The OECD's work on development is based on:

- Special bodies, such as the Development Assistance Committee (organising peer-reviews and hosting the Working Party on Aid Effectiveness), the Development Centre (with a Governing Board that includes non-OECD member countries), the Africa Partnership Forum, the Sahel and West Africa Club;
- Committees gathering experts on topics related to development (agriculture, education, investment, etc.)
- Inclusion of both developed and developing countries in our activities on various topics, for example on education (the Programme for International Student Assessment, PISA, is a comparative survey to measure students' performance internationally) or on fiscal policy (the Global Forum on Tax Transparency gathers 100 countries to work on the exchange of tax information).
- Structured partnerships with Brazil, India, Indonesia, China and South Africa since 2007. Russia is on the way to accession.

Knowledge sharing is not an end in itself. It needs to promote change and lead to strengthening government capacities. The OECD stands ready to continue working with a wide range of developed and developing countries to promote effective horizontal knowledge sharing partnerships.

World Bank Institute (WBI)

WBI is the focal point for knowledge sharing within the World Bank. It mainstreams knowledge sharing in development finance operations. The WBI connects countries to global knowledge through structured learning, knowledge exchange, and innovation scaling. A web-based knowledge brokering mechanism is currently applied to 13 pilot countries to identify supply and demand cases. The WBI also convenes

collaborative action, supporting the actual stakeholders in undertaking reform at the country, regional and global levels. Eventually, it connects knowledge sharing to funding, providing loans and credits for the implementation.

The WBI supports communities of practice. For example, on conditional cash transfers, programme managers in 13 countries participate in videoconferences every three months, to explore together what works and what does not, with the support of World Bank specialists.

The WBI also manages the Global Development Learning Network (GDLN), a programme offering advanced information and communication technologies to over 120 development institutions. By providing advisory services and IT support, it enables universities, NGOs, and the private sector to communicate and learn from each other's experiences.

To track results of knowledge sharing activities, the WBI uses the 'Capacity Development Results Framework'. An assessment of knowledge sharing programmes has been jointly led by the WBI and KDI. It includes case studies about KDI KSP in Dominican Republic and Mongolia. The results of the report will be shared during the High Level Forum on Aid Effectiveness (Busan, 2011).

New sources of growth in the world economy are generating new sources of knowledge and development experience. Some middle-income countries (like Poland and India) play a big role of knowledge hubs.

UNDP

UNDP developed "the Social Graph", a tool to measure real-time ad-hoc exchanges, using person-to-person contact data to define expertise clustering. The purpose of this project is to monitor the flow and the "blockages" in knowledge sharing. The Social Graph considers peer networking as data. It identifies how connected each individual is, and defines various profiles ("connectors", "experts" and "groundbreakers").

Tacit exchanges are a key tool for knowledge sharing. Social media (Wikipedia, Twitter, LinkedIn, etc.) play a more and more important role in knowledge sharing.

Open discussion:

We need some sort of global knowledge alliance. The world is facing global challenges that need a global response. This response needs to be knowledge-driven, and not necessarily with knowledge from the North. The traditional way of knowledge being created in the North then transferred to the South is no longer working. After the financial and economic crisis, we need to rebuild a post-crisis analytical framework to understand the world. And industrialised countries can learn from developing countries. For instance, Costa Rica has the ambition to become the first carbon neutral country, and US and Europe could learn from Costa Rican policies. The G-20 needs to explore how to systematise knowledge sharing. Many countries have been sharing knowledge for decades, but not with a systematic approach.

Soft knowledge (bringing together ideas from all over the world) is easily accessible and mainly free of charge. But development also requires hard knowledge (for example redesigning a mass transit system in

a modern large metropolitan area), which is expensive and difficult to manage. We should not forget that the lack of connectivity is a huge challenge and in many countries a large proportion of the population does not have access to ICT. Over-representation of the elites in knowledge sharing is a risk.

SESSION 2: KNOWLEDGE SHARING FOR FOOD SECURITY

Agricultural innovation is key to achieve food security and sustain rural livelihoods. One of the recommendations of the report on 'Price Volatility in Food and Agricultural Markets: Policy Responses' presented to the G20 (June 2011) is to 'improve food and agriculture innovation systems, encompassing public and private investments in scientific research and development, technology transfer, and education, training and advisory services and ensure that successful practices are scaled up.' Agricultural innovation is however knowledge-intensive and has not always been matched by the human and institutional capacities necessary to unleash its potential for increased productivity, especially in countries with large proportions of GDP in agriculture.

- *What kinds of policy initiatives can be undertaken to promote good practices in knowledge sharing and capacity development in agricultural innovation systems?*
- *What policy and institutional mechanisms can be established to provide sustainable changes in knowledge sharing capacities in support of agricultural innovation?*
- *What incentives can be provided to foster knowledge sharing in support of innovation?*
- *Are there particular areas of knowledge sharing and learning that are better suited for south-south collaboration or north-south partnerships?*

Session Summary

- Increasing awareness among African policy makers on the benefits of knowledge sharing for agricultural innovation is critical to create an enabling environment for knowledge sharing. Empirical analysis would help evidence-based advocacy.
- For transformational change to be sustainable, learning and change must happen at three levels: individual, organisation, and policy environment. Knowledge sharing must be done within the right policy context to ensure follow-up and ownership.
- Rural development is not just about agriculture. Knowledge sharing must take place in a larger context than technology transfers. Incentives for knowledge sharing will depend on how we are able to consider the farmers link to the global market.
- Knowledge sharing on agricultural innovation must take into account the end users. Farmers are ultimately the ones who need the information and who will be impacted by its use. Knowledge sharing mechanisms must ensure that knowledge will get to the end users – the farmers.
- While both S-S and N-S knowledge sharing are important, S-S cooperation can go beyond the knowledge exchange to inspire farmers and empower them to make demands.

FAO

Agricultural innovation is a key factor in ensuring food security and enhancing rural livelihoods. Investment in agricultural technologies has high rates of return, but human and institutional capacities in

agricultural research are still inadequate in many countries that have large proportions of GDP in agriculture. Much of public domain agricultural knowledge is not widely accessible.

There are already a lot of formal and informal networks. We should not reinvent but try to connect better what works well. Higher education and training programmes could review their curricula with public and private sector participation to think about how we can learn about agriculture, not just in a technical context, but through a systemic and strategic approach, so students can understand what the real demands are.

The role of knowledge sharing and learning for capacity development and innovation has changed over the past decade. We need to keep monitoring and documenting 'good practices' (emphasis here on 'good' and not 'best') and promote modalities that facilitate ownership by national and local actors. The recurrent issue around Accra and Paris is the interconnectedness of capacity between the individual, organisational, and the enabling environment. Knowledge sharing must happen across all three dimensions in order to achieve sustainable transformational change.

FAO facilitates tacit knowledge sharing to enhance innovation through Farmer Fields Schools. The programme is based around experiential learning, whereby farmers work together on their own field with facilitators through the season. FAO also operates short courses, e-learning platforms, mentoring and coaching programmes as well as South-South cooperation programmes to provide practical policy support to governments. Knowledge sharing without connecting to the policy dimension will not be effective.

There is a lot of knowledge out there but too little knowledge in the right context. Explicit knowledge should be made more context specific, allowing users to retrieve what they need and when they need it. Public domain agricultural research and information is not truly accessible. We need to work with all organisations to create and possess agricultural research information and to disseminate and share more widely, provide guidance and raise awareness on the importance of IPR.

FAO's Coherence in Information for Agricultural Research for Development (CIARD) brings together several IOs and institutions and regional forums, including FARA, and all major players in the process of innovation and agricultural research. CIARD aims to ensure coherence at two levels: 1) at the institutional and policy level; and 2) at a practical, technology level. The vision is to make public domain agricultural research and information truly accessible to all as a public good.

EMBRAPA

Embrapa has 2 ways of sharing knowledge: through technical cooperation and scientific cooperation. Technical cooperation projects are demand-driven and there is no conditionality associated with it. The objective is to build the capacity of the partner country. Embrapa engages in S-S and triangular cooperation. Brazilian cooperation budget has increased 10 folds between 2003 and 2010 and agriculture represents about 20% of technical cooperation through ABC. Four mechanisms are used:

1. Africa Brazil Innovation Market Place – Initiative led by Embrapa and FARA with funds from different agencies including DFID, IFAD, ABC, Embrapa, FARA. This mechanism funds competitively collaborative projects between Embrapa centres and African institutions. 10 projects being currently implemented with 7 different African countries.

2. Long-term structural projects – Funded by ABC, with or without other partners. 3 projects in Mozambique, 2 in partnership with USAID, and one with JICA. One in Mali on cotton value chain (Mali, BF, Chad, Benin) and one in Senegal on rice.
3. Centre for capacity building and strategic studies – Courses offered cyclically to respond to specific technical needs.
4. Small, short term capacity building projects.

Through scientific cooperation, Embrapa seeks to acquire knowledge from international partners in strategic areas related to tropical agriculture research. Embrapa defines its own policies and strategies and invests own financial resources. Through LABEX, for example, Embrapa collaborates with centres of excellence around the world, national or multinational, on research of strategic interests to Embrapa. There is a LABEX project in Korea on the access of genetic resources, or collaboration with CGIAR centre collaboration and other regional initiatives.

Embrapa's lessons learned on key success factor of knowledge sharing:

- Clarity of objectives
- Flexibility in the use and allocation of funds
- Empowerment of partners and ownership
- Transparency and accountability
- Appropriate level of funding to ensure scaling up and scaling out

China Agricultural University

China has been sharing knowledge with Africa using 3 modalities:

1. Economic cooperation between state-owned farms (e.g. Zambia, Tanzania). There are two types of knowledge sharing: 1) institutional learning, through laboratories, training programmes, etc. in a formal setting; and 2) learning between technicians in Chinese farms and farmers, which takes place in a dynamic and effective way.
2. Experts from China sent to Africa through FAO: This is aimed at sharing knowledge through face to face interaction.
3. Agricultural development centres in Africa: China can share the lessons learned from its own experience of the 70s-90s in privatising and decentralising its agricultural research system. Originally 24 centres were planned, but now there are 40 centres throughout the continent. Each centre cost EUR 4-5 million to build.

Agricultural knowledge and technology cannot be transferred. Agriculture information can be transferred but agricultural knowledge and technology can only be *transformed*. The experience of Chinese farmers cannot be transferred to Africa because they are different practices. The key issue is how to transform the whole agricultural innovation system in countries where food security is an issue. Currently, the innovation system only talks about institutional learning and overlooks failed processes, experienced by farmers themselves. The most effective learning is between farmers. If we talk about knowledge sharing, we need to look at how to engage the final users – farmers.

FARA

There is a strong correlation between GDP per capital and knowledge economy index. One of the key problems is that African politicians and policy makers are not fully aware of the importance of innovation

and the crucial role that knowledge management. We need to raise this awareness by providing empirical evidence to policy makers of how this works.

At the regional level, FARA facilitates the *Regional Agricultural Information and Learning*, which builds knowledge at the national level to pass it on to researchers and extension workers as well as farmers. At the continental level, Africa has the *CAADP* (Comprehensive Africa Agriculture Development Programme) to help countries develop their investment plans, embedding knowledge management component. One of the pillars of CAADP is the *Framework for African Agricultural Productivity* (FAAP). This advocates for farmer empowerment by making sure that knowledge gets to the farmers.

FARA is supporting the development of knowledge strategies by facilitating learning across 38 countries in Africa. The key challenge is how to manage the sharing of tacit knowledge, which constitutes about 80 percent of an organisation's knowledge. The competition for knowledge is resulting in privatisation of the knowledge system, increasing the cost of access and availability of knowledge. While creating incentives for knowledge management is important to sustain innovation, we need to ensure that we do not overlook in the process those who most need this knowledge, the farmers and how they can use it.

Africa needs the right resources, financial and technical to put the right infrastructure in place that will create the enabling environment, with effective and accountable institutions that will pass the information to all that want it, including the farmers. The focus on knowledge sharing should be on the end users. AGORA is a FAO mechanism set up to enable developing countries to gain access to an outstanding digital library collection in the fields of food, agriculture, environmental science and related social sciences.

Open discussion

For 100 years, agricultural commodity prices have been declining and in the last 10 yrs, they have been flattening. For a long time supply was growing faster than demand, but if demand begins to grow faster than supply, then we have a significant problem. We cannot think of food security without thinking about productivity growth, without innovation. In Africa it is more than a question of supply and demand, it is also a question of distribution.

Rural development is not just about farming. How do we create more sustainable rural economies? How to link farmers to the whole value chain? How do we ensure that increased productivity is linked to markets? Knowledge transfer can only be beneficial if there is the right incentive of price, i.e. promoting agricultural export. The complexity of access to global market must be taken into account and knowledge sharing must take place in a larger context. Knowledge is not just functional. It has the ability to inspire and empower farmers to make demands.

In Africa, unlike in Asia or Latin America, the situation is different because of the variety of crops involved. The green revolution focused on wheat, maize and rice and many of the crops in Africa did not benefit from this research and extension efforts. The renewed interest in African agriculture is due to the sense of urgency that Africa is the last frontier. But what does this say about the welfare of Africans? Although there was some changes in the supply and demand in the last decade, part of the increase in price is due to the development of new types of biofuels (maize in N. America) and biodiesel (vegetable oil in Europe), and the financialisation of futures and options markets. These are issues that no amount of knowledge transfer can resolve. 'Price Volatility in Food and Agricultural Markets: Policy Responses' Report (June

2011) provides recommendations from 10 international organisations, including OECD and FAO, to the G20 on this issue.

Until purchasing power is improved we will continue to have global food insecurity. Open markets may seem in theory to do a lot of good, but in practice nothing is achieved. We need to address the supply side capacity, whatever the constraints are in turning potential opportunities into real opportunities. We need market opportunities, price incentives but without the supply side capacity we will not get the desired outcome. Today we are talking about how to grow the capacity of a finite natural resource base to feed what is apparently an infinite demand.

SESSION 3: KNOWLEDGE SHARING FOR INFRASTRUCTURE DEVELOPMENT

The state must treat private sector participation in infrastructure with particular care. Appropriate project planning and design will indicate when public-private partnerships (PPP) are desirable. Private sector involvement must be promoted in an atmosphere that minimises perverse incentives for rent seeking, resolves problems of dynamic inconsistency, mitigates information problems and maximises the goals of efficiency and quality in service provision.

- *What are the best practices and lessons learned in setting PPP regulatory frameworks?*
- *How can knowledge sharing initiatives, including south-south, improve policy design and implementation for infrastructure development in developing countries?*
- *What are existing independent and transparent platforms that can facilitate this knowledge exchange?*

Session Summary

- A key success factor for PPP is to first set the legal and institutional arrangement – distributing the role and responsibility between the different ministries. PPP means different things to different countries. Experience from countries at different levels of development can be useful.
- Defining the rules of the game for all stakeholders and communicating on it is extremely important, especially in reassuring private investors on risk management (both political and market).
- Knowledge sharing to strengthen capacities of public officials in carrying out feasibility studies and project financing are particularly needed.
- Having a clear objective of the PPP is a critical for the success of the project. Infrastructure projects must therefore factor in consumers concerns in terms of needs, affordability, benefits, etc. at the very initial design of the project.
- PPP is only one of tool for infrastructure development. Knowledge sharing is needed on the entire cycle of infrastructure development. The role of the public sector will continue to play an important role for infrastructure development, especially in LICs and LDCs. Improving the fiscal space through fiscal reform therefore is a priority issue.

KDI-PIMAC

The Knowledge Sharing Program with Mongolia used a three phase process:

1. Objective setting through rigorous assessment of the infrastructure situation in Mongolia: 'To promote economic growth through increased infrastructure'.
2. Detailed objective setting, e.g. setting legal guidelines and regulations through knowledge and experience sharing with Korean counterparts.
3. Identifying key issues Mongolia will need to address to implement PPP. Regulation and guidelines for the actual implementation to be prepared.

The most important thing in this process was setting the legal and institutional arrangement – distributing the role and responsibility between the different ministries, i.e. which ministry will be empowered and which will do the monitoring. The legal framework needs to take into account protection of foreign investment, land, and labour issues for the development of PPP system in Mongolia. Procurement issue is particularly important as this can reduce the corruption problem. Having a transparent selection process will foster a competitive market.

There are two ways to start a PPP project: via solicited or unsolicited proposals. The latter, accepted by the Mongolian PPP law, requires special caution as it may not be within government budget nor its objectives. There are also issues of transparency, special interests, and reduction of competition. A project review process, similar to solicited proposals, including a competitive tender process was recommended by KSP.

Capacity building of practitioners was an important component of the KSP. Technical skills required within the government include carrying out feasibility studies, prioritising objectives, project management, negotiating with the private sector. The biggest challenge for KSP was the lack of consensus among line ministries on PPP objective. Raising awareness among stakeholders (KSP and non KSP participants) was important to help create coalition within the line ministries and to work towards a common objective.

Senegal

Infrastructure is a horizontal problem for development. PPP is important for infrastructure as we can no longer rely uniquely on public investment for financing. The state has to be able to focus on social sectors, such as health and education. There are several constraints for PPP in Senegal. BOT (build-operate-transfer) concession contracts for infrastructure started in 2004 with the highway toll system. This was financed by the private sector and the government (including funds from WB, AfDB and AFD). Legal and institutional frameworks were put in place and a BOT law was voted in, defining the rules of the market. Defining the rules of the game for all stakeholders is extremely important, especially in reassuring the private investors to manage risks (both political and market).

Transparent and timely flow of information sharing among the stakeholders – public, private and clients – is a key success factor for PPP. At different phases of the project, one party is better informed than the other, which risks bad contract implementation. Capacity within the government to carry-out good feasibility studies are also a big problem. Increasingly, the private sector is carrying out feasibility studies, which are not necessarily in the government's priorities.

Infrastructure is at the heart of Africa's development concerns. The Dakar-Djibouti corridor project involves 15 states. More similar regional networks are needed. In 2004-05 NEPAD created an initiative on how to share knowledge with partners to put in place infrastructure programmes. Accessing the many existing networks and knowledge sharing platforms are not always easy.

Asian Development Bank (ADB)

The Asia Pacific region as a whole will require large investments (about USD 8 trillion from 2011-20, i.e. about USD 8 bn per year) for electricity, roads and other infrastructure. The challenge is the low capacity in project development and preparation in concerned countries. An enabling framework – legal and regulatory processes that can address transparency and procurement issues is also needed. Knowledge sharing and capacity development are very important to overcome these challenges.

At the ADB, the role of the private sector to make up for the investment gap is well recognised and it has been mainstreamed in ADB's long term strategy 2020. PPP is an important modality. But readiness for PPP varies across Asia. Those unaware of the potential of the PPP approach will need advocacy first followed by development of the enabling environment. Then skills in project preparation and project financing have to follow. As an interim measure these skills can be procured, but in the long term, the public sector officials in the country need capacity development. Hence, the ADB looks at 4 pillars, depending on the country's readiness, ranging from advocacy and capacity development to creating enabling environment, developing bankable projects and financing projects.

ADB is building a knowledge centric organization. It has adopted a five step approach: (i) Stage 1: Pre-implementation (Awareness, Strategy, Target Areas, Knowledge Taxonomy and Benchmarking); (ii) Stage 2: Inculcation (ICT, organisational design, culture, and learning, Communities of Practice and Learning Alliances); (iii) Stage 3: Reinvigoration (Pilots and Measures, Change Management); (iv) Stage 4: Implementation; and Stage 5: Holistic Approach (Extending and Sustaining Knowledge Management and Learning). The sector-wise Communities of Practice, comprising professional staff, play a key role in knowledge management within ADB. They provides a continuous learning opportunity to the staff resulting in promotion of greater and better informed dialogues, development and transfer of good practices, and quickens personal and team development. Collaborative programmes in PPP with other agencies / countries include:

1. Multilateral PPP for Infrastructure Capacity Development (MP3IC): learning products and tools, workshops and events, global distance learning (with WBI and IDB).
2. Asia PPP Network (APN): responding to the capacity development needs and demands within the region. Country or regional workshops for staff of PPP units, e.g. on best practices in preparation of feasibility studies (with WBI and countries).
3. PPP practitioners training programme (with WBI and KDI).

Mongolia

Knowledge sharing is important for Mongolia. As the Mongolian government recently approved a concession law (2010) to increase infrastructure investment, the challenges is how to increase private sector investment. PPP is a key instrument to attract the private sector. Infrastructure is the number one driver for Mongolian development (mining industry boom). 90% of concessions are for infrastructure development. Knowledge is therefore critical to implement these projects.

The Mongolian PPP Unit initiated the contact with Korea to share their experience. As Korea is one of the Asian countries with successful PPP implementation, its experience in project development, bid management, cost-benefit analyses, contract monitoring regulations were good examples to learn from and to build up on the ground capacity. Thanks to the KSP, the PPP unit has prioritised the approach and methodologies for implementing large scale infrastructure projects, and identified gaps to be further analyzed and developed. Mongolian practitioners learned from the Korean experience on setting up a

legal framework for PPP, which helped develop Mongolia's own legal framework. What is needed next is capacity building of public sector officials in technical skills to carry out feasibility studies and project financing. Importance of knowledge sharing is well recognized and its outcome benefited Mongolian infrastructure development.

Open discussion

In the case of low income countries (LICs), PPP seems to be extremely capacity consuming. Is knowledge sharing happening or is it more about transfer of funds from IOs and regional banks? In LICs PPPs have always been around: contractors building roads with government funds. But many of these contracts are linked to electoral cycles and constructions are not sustainable for various reasons linked to corruption, especially for rural infrastructure. Sensitising the people, the consumers on the legal and institutional instruments available to assert their rights, is one of the key issues to address when preparing a PPP project. Infrastructure projects must factor in consumers concerns in terms of affordability, benefits etc. at the very initial design of the project. The people must be involved early on in order to ensure a fit between private sector and public sector interests. Defining the objective of the PPP is therefore most important and when designing the legal framework anti-corruption must be taken into account. Giving output based contract (as opposed to input based contracts) can help catch non-performing contractors.

Knowledge sharing on infrastructure development will play a key role for poverty reduction. PPP is only one of many tools that have proven to be effective and one that the G20 is promoting. A country does not need to have reached a certain level of development to start PPP or share its experience on PPP. Young experience like that of Senegal or Mongolia can provide ideas and inspiration to other developing countries. Knowledge-sharing in this area is effective if it is demand-driven and linked to the development strategy of the country.

It is important to look at the whole cycle of infrastructure development. Public sector will continue to play an important role in infrastructure development, especially for provision of basic services, and the G20 is conscious of that. In fact, the G20 work on infrastructure focused on the role of the private sector, but now it is broadening the agenda.

SESSION 4 : KNOWLEDGE SHARING FOR GROWTH WITH RESILIENCE.

Social protection tackles insecurity related to both persistent poverty and contingencies (health shocks, old age, unemployment, natural disasters, etc.). Social protection programmes are sometimes criticized as short-term solutions to compensate for fundamental market failures. Yet, experience shows that addressing the basic needs of the most vulnerable through well-designed social protection programmes (in the form of support for basic services, safety nets, pensions, health insurance, etc.) can facilitate social cohesion, poverty reduction and economic growth.

- *Taking into account the context-specific nature of these programmes, how can social protection policies in one country offer lessons to others?*
- *Are there common operational principles that could be scaled-up?*

- *What are effective platforms for sharing information and experience on social protection policies?*

Session Summary

- Social protection recently became a mainstream topic in the development business, especially through the implementation of conditional cash transfers in Latin America. These experiences generated a lot of information on social protection, but the analytical knowledge is still in an early phase, and responsibilities among dialogue-based institutions need to be better identified.
- Successful knowledge sharing relies on methodologies (collection of technical information), processes (study tours, intergovernmental secondments, etc.), political commitment, and a continuous policy dialogue, involving both at the international and community levels.
- The design and implementation of social protection systems need to be adapted to the specific context of each country, always bearing in mind that “what is good for me is not necessarily good for you”.

International Policy Centre for Inclusive Growth (IPC-IG)

Over the last few years, social protection became fashionable. The experience of various emerging economies showed that large scale social programmes mitigated the impact of the crisis on the poorest, had a significant countercyclical value and increased aggregate demand. Social protection became a mainstream topic in the development business and generated a lot of knowledge and skills. The experience of conditional cash transfers projects in Latin America was widely discussed and exported. However, the analytical knowledge in this area is still in an early phase, and there is no consensus on how social protection can better promote inclusive growth and economic resilience and how it can be better integrated in national development policies.

The International Policy Centre for Inclusive Growth (IPC-IG) is a joint-programme between UNDP and the government of Brazil. It manages the South-South Learning on Social Protection Gateway, and social protection policy advice in and for the South. Its tools include multimedia production, study tours, and knowledge materials.

The three pillars of knowledge sharing are methodologies (collection of technical information), processes (study tours, intergovernmental secondments, etc.) and political commitment. The debates should address not only technical questions, but also political issues. Policy dialogue needs to be a continuous process at the national and international level and to engage cross-sectoral ministries, donors, and NGOs.

Experience at the local level is instrumental in getting cross-partisan support. The “Bolsa Familia” started as a local government programme in Brazil for about ten years before being scaled-up by President Lula. Intensive capacity building and performance based transfers to the local governments were crucial.

Inter-American Social Protection Network (IASPN), Organization of American States

IASPN is an initiative of the V Summit of the Americas, coordinated by the Organization of American States to facilitate exchange of information on experiences, programmes and good practices on social protection. Its objective is to contribute to the reduction of social inequalities and extreme poverty, by means of capacity building and institutional strengthening. IASPN identifies supply and demand, but also stores and disseminates knowledge, and seeks to consolidate communities of practice. IASPN fosters

sharing and 'co-construction' of knowledge among social development institutions and agencies. The IASPN's 'intermodal cooperation' approach allows for enhanced synergy by means of blending bilateral, triangular and multilateral initiatives.

Together with unacceptable levels of poverty, LAC is also the most unequal region, according to distribution of per capita income (GINI Coefficient). Conditional Cash Transfers is one of the policy responses to poverty. The challenge of IASPN is to make available to policy-makers knowledge and practices that are relevant to their country's needs and realities. In this context, CCTs are popular since they are cheap (overall, less than 1% of GDP) and have clear positive electoral results. However, they are not a silver bullet and must be seen as part of a broader set of social protection policies. IASPN experience has shown that one-shot events are not effective or efficient. We need to create a community of practice, at all times connected and engaged in knowledge sharing activities.

The example of the transfer of the Chilean "Puente" programme in the Caribbean showed that each case needs to be adapted: in Chile, the Puente is implemented by the municipalities. But most of the islands of the Caribbean are too small to have such local government frameworks, and, therefore, had to adjust their version of the Puente to their own context.

Chilean Catholic University

The Solidarity and Social Investment Fund (FOSIS) is a service of the Chilean government. It transfers approaches, tools, methodologies and strategies to countries applying for technical assistance (Paraguay, Salvador, DR, Barbados, St Lucia, etc.).

FOSIS closely works with the recipient country at all steps of the projects (analysis, planning, execution and evaluation), in a participative manner. Various levels of management need to be involved. The key message to understand is "what is good for me is not necessarily good for you".

Open discussion and respect are essential. It's about people working with people. Technical counterparts need to have a relationship of reciprocity and exchange among equals. Both the supply and demand are in a process of mutual learning.

Presidential Agency for Social Action and International Co-operation (Acción Social), Colombia

UNIDOS is a Colombian programme promoting family support. It adapted the Chilean "Puente" programme to the Colombian context. It gathers 8 500 people doing family support on a daily basis, in charge 34 000 visits every day. More than 20 national agencies work together.

The Colombian government looked at SP programmes in the region: "Solidario" (Chile), "Oportunidades" (Mexico), "Bolsa Familia" (Brazil). They decided to make a local adaptation of the Chilean "Solidario" Programme. 16 experts went to Chile to design a National Strategy to Overcome Extreme Poverty.

Colombia used many features of the Chilean programme (domiciliary visits, minimal conditions for a family to be selected, etc.) and then added a few innovations (collection of information through mobile phones, public-private partnerships, etc.). Afterwards, it shared its experience with Ecuador, Peru and Mesoamerica.

An important lesson from UNIDOS is that knowledge is coming from communities, at all sub-national levels. They have the good ideas. Beyond the international dialogue, knowledge sharing is also about interaction inside a country.

Open discussion

Basic resource is often available but hardly shared. Lots of research has been conducted on social protection issues. How to target the appropriate population? How to deal with privatisation of pension schemes? How to increase the impact of social protection on income disparities? How make social protection effective in a non-formal sector? However, we often talk about the same things with different labels, and reinvent the wheel.

Extreme poverty is not enough included in the programmes, because the poorest are not always politically influential. Public expenditure can be captured by higher classes who have a better access to politicians and media. However, the emerging middle classes are also vulnerable population that risks to be excluded from State support.

Conditional Cash Transfers are crucial to improve social protection, but they are not sufficient. We also need to address public service delivery: it is useless to receive money to send children to school or to hospitals if the teachers and doctors are not good, or not available.

Social protection is also closely dependant from the fiscal system (and its redistributive effects) and the institutional structures that ensure coordination (i) between various ministries in charge of programme and (ii) between the local and national levels.

Knowledge Sharing is not costly. It only needs a secretariat, which organises a calendar, brings actors together, and prepares documents for discussion. But it needs to be recurrent in the long term. The main cost for the international organisations is a problem of redundancy: we need to better identify responsibilities across the dialogue-based institutions (UN-DESA, OAS, UNDP and the OECD) and the development banks (World Bank and Regional Development Banks).

KEYNOTE SPEECH (SUMMARY)

The Role of Knowledge Sharing and Capacity Development in the New Development Landscape - Talaat Abdel-Malek

Traditionally, developing countries have relied on the more developed world for guidance in their development strategies and policies. Many of us remember the practice of “copying” development models from capitalist countries or the Soviet Union and the consequences of this approach, in particular in the 1950s and 1960s. International organisations, particularly the World Bank and the IMF are rich in first rate expertise but there is a risk of relying on their prescriptions without adapting them to the national development context and priorities.

Developing countries have gradually been accumulating their own home-grown development knowledge, based on experience on the ground. Countries like the Asian Tigers, earlier on, and Brazil, Chile, Mexico, and Korea among others have an impressive pool of such knowledge, that has emerged from a Southern development context, which in many ways differs strategically from conditions under which more developed countries achieved their advanced status decades, if not centuries, ago. These experiences offer a range of options which blend features of free enterprise and socialist models.

We are moving from an era of shortage of information to one where we have to cope with overwhelming pools of knowledge. Many knowledge exchange networks have emerged (Task Team for South-South Co-operation of the working Party on Aid Effectiveness; World Bank Institute; UN Development Group; bilateral knowledge exchange networks etc.) How can they collaborate better in order to guide users and avoid confusing them?

Weak institutional and human resource capacities are one of the major bottlenecks to development. Capacity development initiatives often require long-term actions and take time to show results. The Cairo Consensus on Capacity Development (March 2011) offers a concrete statement about the nature and requirements of capacity development.

Developing countries can benefit from expertise both South and North. Aid providers and practitioners need to refrain from supply-driven approaches and do more listening to priority needs of developing countries. In this respect, the recent OECD development strategy calls for more active involvement of developing countries.

Investing adequately in education and research from the initial stages of development helped some developing countries to adapt this pool of knowledge to suit the local context. There is a role and a responsibility for think-tanks, academics, and the civil society to adapt knowledge imported from anywhere to a national context.

ROUNDTABLE: KNOWLEDGE SHARING FOR REFORM

Why do policy reforms with obvious social and economic benefits stall? What are the processes that allow for effective reform to happen? Knowledge sharing on reform experiences in the past has often been limited to the transfer of technical, codified knowledge. Increasingly, the challenge for policy makers is not only on 'what' to do but on 'how' to do it. Understanding the political economy of reform is therefore critical for making reform happen.

- Why and in what way can knowledge on the political economy of reforms contribute to successful reform efforts?*
- How can knowledge and experiences on the political economy of reforms be shared across countries despite the diverse political contexts?*
- What would be a framework to explore the factors that can contribute to successful reforms in developing countries?*
- Are there any success cases of reform efforts which can serve as references for the political economy of reforms in others?*

Session Summary

- Political aspect is an indispensable feature of knowledge management. We need to learn from our failures.
- A combination of strong leadership and crisis can help carry out successful reform.
- We need to share knowledge on designing and implementing development strategies, and not only on specific policies.
- Reform process has to allow for policy learning. A strong steering force from the government is needed and this often requires management rather than a hierarchical imposition.
- National ownership is meaningless without policy space. One important factor for policy space is having fiscal space.

Morocco

Developing countries are at a very important stage of development. We need to put in place 3 reforms at the same time: economic, social and democratic and all this in a short period of time. These processes require time, but the social demand is urgent. There is a lot of investment in infrastructure, but this creates precarious employment. What create sustainable employment are industries, financial services and technologies. We must not forget that reforms towards liberalisation have an association with the structural adjustment programmes which were lived painfully by the people. Knowledge sharing comes in at two levels: via an international mediation of IOs but also between the elites and the citizens within a country.

Morocco currently carries out three types of knowledge sharing activities: 1) to reinforce institutional capacities, e.g. with the WB on poverty mapping; 2) to address the issue of social cohesion in Africa with the OECD; 3) to come up together with civil society, universities, trade unions and entrepreneurs the prospects of Morocco in 2030, together with UNDP. This allows raising awareness of stakeholders at an early stage on the potential impact of certain reforms. There is no North-South or South-South knowledge, only human experience of development.

Dominican Republic

Dominican Republic (DR) started the KSP project in 2006 with Korea. Despite the enormous differences between the two countries, it was possible to learn from Korea and be inspired. Two factors contributed to successful knowledge sharing: 1) Political support at the highest level (President Fernandez) and 2) the urgent need for reform as DR faced serious economic threats: recession due to a banking crisis and serious competition from China in garment industry. DR worked with Korean counterparts over 3 years. The Korean experience is not all applicable to DR, but lessons from reform models were used to adapt to our context.

KSP was a catalyst for change in DR. The mindset has changed in the country to a 'can do' attitude. What is good for Korea is not necessarily good for DR, but the Korean experience was as a source of inspiration. Some of the measures taken include: a presidential decree, supported by the private sector, to institutionalise national dialogue for reforms to attract investment and encourage exports and enterprise development and job creation. DR is now carrying out its own knowledge sharing program with Taiwan and Haiti. Haiti has recently asked DR's experience in economic development and job creation.

Cambodia

Reform is political but it is also about communication. 'Elephant' from central government becomes 'rat' at the local government. Expectations of the reform must be clear for all stakeholders. There are two phases to reform: preparation and implementation. Knowledge from different countries can be important but we had to adapt the experience to our context. Cambodia was able to diversify from garments and attract investment in the area of electronics. This may be the result of industrial policy prepared jointly with Korea. On the implementation, who implements the reform? The governors may have different priorities. What are the incentives to carry out the reforms? How are power relations changing? We should also talk about failures. Poor prioritisation of reform agenda is also a major cause of failure. Adequate financial and human resources need to support the reform.

Center for Strategic Research, Russia

In European and Central Asia knowledge sharing has played a central role for reform in the past decade. In 1990s it was market transition – first generation market reform was based on imitation, donor-driven agenda, very standardised knowledge transfer. This was precondition for market reform success. In the year 2000, new drivers emerged: EU accession was all about normative convergence and standardisation and therefore knowledge transfer was a central part of the 'acquis communautaire' framework, centrally managed. This was a huge success in terms of achieving scale and speed for institutional transformation. This gives a very rich experience on how mass knowledge transfer could be managed.

Another driver of reform in the region was FDI. In E Europe and Central Asia many countries had to form powerful pro-reform coalitions with incentives to match standardised investment expectations. These were underpinned by very sophisticated benchmarking exercise, e.g. WEF global competitive index, WB doing business, OECD indicators. All these benchmarks aimed at policies for countries to have the best index but not necessarily to be different. There were some success stories in unlikely places like Belarus, which broke the record in business climate improvement for the region. The reason for this success is that Belarus put improving business environment as a national objective and it had very strong incentives to do this as it was running a negative current account. For the region central knowledge transfer and imitation will remain a dominant knowledge sharing method. Because 60-90% of investment is coming from Europe, there is a strong urge to integrate with EU and harmonise standards.

GIZ, Germany

As mentioned in the OECD report on Making Reform Happen, appropriate institutional settings, time, and political leadership are crucial for the success of political reform processes. All these processes are incremental and iterative. The issue of reform is changing in the course of implementation, even policy has to be adjusted to things which are happening in the process of implementation. This means that the process has to allow for *policy learning*. This is very challenging because those processes involve a great variety of stakeholders and this requires a strong steering force from the government. This steering capacity has to be strengthened. Effective leadership comes from management rather than a hierarchical imposition. The steering needs to find the right balance between leadership and the level of involvement from stakeholders. The learning from stakeholders inside the country is important.

GIZ is trying to organise this learning process with programmes like *Capacity Works*. A multinational project is measuring the index on the political management of reform. The *Alliance for Financial Inclusion*

looks for innovative solutions developed in the south to improve access to finance, like mobile banking in Kenya, the branchless banking in Brazil, to see how they can be used in other countries. Five success factors for learning platforms: 1) peer learning – trust between central bank regulators; 2) member driven; 3) inclusive, 3) built on proven solution; 4) connected to a grant facility which allows learning; 5) strictly managed. Leadership is an important issue. German government plans to have a global leadership academy to bring together leaders who can consult each other on their experience in implementing reform.

KDI

There is confusion on the direction in which political economic factors of reform can be taken forward. Regulators should not be blamed for bad policies but instead the political support for the regulator should be changed. Economists should quickly establish the license to practice on the rational theory of political behavior. (George J. Stigler, 1971). There has been little knowledge sharing on the political economic perspective of reform. This is due to the lack of a cross-cutting approach, which addresses not only cross-sectoral issue but also political factors. This resonates with the criticism of the Washington Consensus, which has spawned one brand of political economy literature in the E European context or transitional economies. Application of a single minded approach has postponed rich theories and data analysis on the political economy. This gives us another starting point: to acknowledge the existence of diverse development paths which are relevant to different country context. Countries develop through learning by doing. KDI undertook the Making Reform Happen project jointly with OECD and plan to scale up this effort to developing countries.

OECD

Making Reform Happen, the project looks at the strategies countries have used in order to push progress and reform forward, overcoming various political economic obstacles. It picks out the carefully planned sequencing of development strategies that OECD countries have used. MRH looked at major areas of structural reform (labour, pension), where there is significant resistance from stakeholders (public) and so there is difficulty in reform. The conclusions is that you need a strong narrative for reform, communication, leadership, political commitment to get over the hurdle of electoral cycle, and you need to sequence reform carefully. These are relevant for all countries. In developing countries there are additional obstacles to take into account: imperfect functioning of markets, limited state capacities in some areas, and different social and economic organisations and this means that reform needs to be approached from a very different angle from OECD countries.

UN DESA

Within the UN, developing country members have long wanted ownership of national development strategies, but support for this aspiration has been modest and slow. There has instead been a tendency to promote magic bullets – such as microcredit, bottom of the pyramid marketing, good governance, etc. but this has led to mixed, if not poor results. Focusing on what seem to be best practices ignores the fact that one size does not fit all and failed practices, which condemns us to repeat the mistakes of the past. Knowledge sharing must include the opportunity to learn from mistakes as well to avoid repeating them.

Developing countries desperately need policy space. National ownership of policies is meaningless without the availability of policy space. One important factor for enhancing policy space is having fiscal

space. We need to work together on fiscal space, particularly on tax issues, in order to enhance fiscal capacities.

There is a tendency to stereotype international organisations in ways which hinder building alliances of like-minded people across such organizations. We should distinguish between but also seek to integrate the processes of knowledge creation and knowledge dissemination in knowledge sharing. Participating in knowledge creation is often crucial to the question of ownership.

We have to recognize that knowledge sharing takes place in a context, and that there are relations in knowledge sharing which involve power, i.e. soft power. Unless we recognize this, it will be difficult to ensure that knowledge sharing is mutually beneficial and will enhance the collective common wealth of knowledge.

Open discussion

In the 60s and 70s, Korea had an economic planning board that coordinated all the sectoral political issues, including consensus building, cross-sectoral policies, etc. this type of institution might be helpful to implement development strategies. There were many failed attempts for reforms, but the last two crisis helped implement some critical reforms. Crisis may contribute to overcome several challenges, especially the political economic factors.

Political aspect is an indispensable feature of knowledge management and we need to learn from our failures. But how will this translate into a G20 type discourse? In development agencies no one will accept to learn from failures of a specific country as lessons for developing countries, especially if it relates to politics. In G20, there is reluctance on the part of many member states to talk about politics.

We need to be careful not to duplicate existing knowledge sharing mechanisms but think about how we can add value. Knowledge sharing will deal with systemic issues, which inhibit knowledge as a full public good, because knowledge has become private property. We have the intellectual propriety rights regime, the best knowledge management mechanism we have. G20 must address this issue.

What to reform is another important issue that was not addressed. The financial crisis took us back to the textbook of structural transformation: creating jobs, inclusive growth, poverty alleviation and creating productive capacities for sustained employment. We will have to reach consensus about the development objectives in order to relate to knowledge sharing for development effectiveness, and we will need new indicators to understand this.

ANNEX: WORKSHOP AGENDA

INTRODUCTION: THE ROLE OF KNOWLEDGE SHARING FOR SUSTAINABLE DEVELOPMENT

Welcome by co-hosts:

- **Oh-Seok Hyun**, President, Korea Development Institute
- **Pier Carlo Padoan**, Deputy Secretary-General and Chief Economist, OECD

Setting the scene:

- **Mario Pezzini**, Director, OECD Development Centre
The Role of Knowledge Sharing in Policy Making
- **Wonhyuk Lim**, Director of Policy Research, KDI Center for International Development
G-20 Seoul Development Consensus and Knowledge Sharing

Discussant:

- **John Young**, Deputy Director, Overseas Development Institute, UK

Chair: **Debapriya Bhattacharya**, Distinguished Fellow, Centre for Policy Dialogue/Former Ambassador of Bangladesh to WTO and UN Office in Geneva

SESSION 1: KNOWLEDGE SHARING METHODOLOGIES: WHAT WORKS?

Presentations:

- **Tae Yong Yoon**, Director General, International Economic Affairs Bureau, Ministry of Strategy and Finance, Korea
- **Gabriela Ramos**, Chief of Staff of the Secretary-General and G20 Sherpa, OECD
- **Akihiko Nishio**, Director of Operations, World Bank Institute
- **Mitchell Toomey**, Manager, Knowledge Management Group, Capacity Development Group, UNDP

Chair: **Andreas Stamm**, Researcher, German Development Institute (DIE)

KNOWLEDGE SHARING AND THE G-20 DEVELOPMENT PILLARS: HOW TO MAINSTREAM?

SESSION 2: KNOWLEDGE SHARING FOR FOOD SECURITY

Presentation:

- **Stephen Rudgard**, Chief, Knowledge and Capacity for Development, Food and Agriculture Organization of the UN (FAO)

Discussants:

- **Paulo Duarte**, Scientist, Secretariat of International Affairs, Brazilian Agricultural Research Corporation (EMBRAPA)
- **Li Xiaoyun**, Dean of College of Humanities and Development Studies, China Agricultural University
- **Monty P. Jones**, Executive Director, Forum for Agricultural Research in Africa (FARA)

Chair: **Ken Ash**, Director, OECD Trade and Agriculture Directorate

SESSION 3: KNOWLEDGE SHARING FOR INFRASTRUCTURE DEVELOPMENT

Presentation:

- **Kangsoo Kim**, Director, Public Private Partnership Division, Public and Private Infrastructure Investment Management Center (PIMAC), KDI

Discussants:

- **Victor Pouye**, Managing Director, Infrastructure Department, Ministry of International Cooperation, Air Transports, Infrastructures and Energy, Senegal
- **Anand Chiplunkar**, Principal Water Supply and Sanitation Specialist (PPP), Sustainable Infrastructure Division, Asian Development Bank
- **Khaliun Gundsambu**, Legal Specialist, PPP and Concession Department, State Property Committee, Mongolia

Chair: **Jeff Dayton-Johnson**, Head of Americas Unit, OECD Development Centre

SESSION 4: KNOWLEDGE SHARING FOR GROWTH WITH RESILIENCE

Presentation:

- **Rathin Roy**, Director, International Policy Centre for Inclusive Growth (IPC-IG)

Discussants:

- **Francisco Pilotti**, Director, Inter-American Social Protection Network (IASPN), Organization of American States
- **Francisca Rivero Garay**, Researcher, Chilean Catholic University /Former Program Director of FOSIS (Solidarity and Social Investment Fund of Chile)
- **Ana Catalina Suarez**, National Coordinator, UNIDOS, Presidential Agency for Social Action and International Co-operation (Acción Social), Colombia

Chair: **Wonhyuk Lim**, Director of Policy Research, KDI Center for International Development

KEYNOTE:

- **Talaat Abdel-Malek**, Co-Chair of the OECD DAC WP/EFF; Economic Advisor to the Minister of International Cooperation, Egypt
The role of knowledge sharing and capacity development in the new development landscape

ROUNDTABLE DISCUSSION: KNOWLEDGE SHARING FOR REFORM

Panelists:

- **Ahmed Lahlimi Alami**, Minister, High Commissioner of Planning, Morocco
- **Eddy Martinez**, Minister of the Center for Export and Investment, Dominican Republic
- **Hang Chuon Naron**, Secretary of State, Ministry of Economy and Finance, Cambodia
- **Christoph Beier**, Managing Director, GIZ, Germany
- **Mikhail Dmitriev**, President, Center for Strategic Research, Russia
- **Youngjae Lim**, Senior Fellow, KDI
- **Andrew Davies**, Senior Counsellor, Governance Directorate, OECD
- **Jomo Kwame Sundaram**, Assistant Secretary-General for Economic Development, UN Department of Economic and Social Affairs

Chair: **Kyung Wook Hur**, Ambassador, Permanent Representation of the Republic of Korea to the OECD

*All presentations are available at the following webpages:

http://www.oecd.org/document/1/0,3746,en_2649_33993_48212993_1_1_1_1,00.html

http://cid.kdi.re.kr/cid_eng/event/event_view.jsp?seq_no=18021