



EXECUTIVE SUMMARY

NATIONAL PLAN OF COOPERATION

OF THE REPUBLIC OF PANAMA

‘PANAMA COOPERATES 2030’:

STRATEGIES, OBJECTIVES AND INSTRUMENTS OF INTERNATIONAL
COOPERATION FOR PANAMA IN THE ERA OF THE SUSTAINABLE
DEVELOPMENT OBJECTIVES

EXECUTIVE SUMMARY

Panama is reconfiguring its schemes and methodologies for International Cooperation in Development (i.e. Cooperation, for brevity). The Ministry of Foreign Relations will be the governing body and coordinator of the topics of Cooperation, after they have been defined as an integral part of the country's foreign policy. These changes coincide with the emergence of the new international development agenda based on the Sustainable Development Goals (SDG), which will be in effect until 2030. Panama already has had a significant track record in this area, managed in recent years by the Ministry of Economy and Finance. National experiences of Cooperation in recent years project an image of specific projects and disjointed actors, with some achievements, but still away from an integrated approach.

The new National Plan of Cooperation of the Republic of Panama (NPC) is the result of a broad participatory process of analysis and reflection, carried out for about one year. The NPC is made up of strategic, operational and instrumental elements aimed at maximizing the results of cooperation in the short and medium terms, as well as guiding the development of multi-year action plans. The Plan contains:

- » A new strategic orientation of Cooperation based on a national vision of the identity of Panama as an actor within the outlook for Cooperation with guiding principles for its implementation, reflected in the new Official Cooperation Policy.
- » Development objectives, defined by priority guidelines for action grouped by thematic axes and transversal actions, and articulated on the basis of demand (actions for development in Panama) and supply (actions towards other countries). These objectives are aligned with the national priorities (contained in the Government Strategic Plan 2015-2019) and also with the international priorities (ODS).



- » A new National System of International Cooperation (NSIC), with the stability and flexibility that are necessary to serve in the medium and long term scopes of Panama's Cooperation.

In the short term, the implementation of the NPC will be reflected in the International Cooperation Action Plan (ICAP) 2017-2019. The start-up of the NSIC will be one of the central objectives of the ICAP.

It is expected that the NPC will evolve towards a consensual and dynamic State policy, incorporating learning, adapting to the evolution of national priorities and in harmony with the horizon stipulated by the ODS agenda. That is why the Plan is known as Panama Cooperates 2030.

The figure below represents an outline of the NPC, showing its elements and the relationship between them. The development priorities, expressed by the SGP in force in a given period and the SDG, provide information to the cooperation policies. In turn, these policies and the selected



development objectives are reflected in successive versions of the SPIC, while determining the configuration of the NSIC.

The PNC has its conceptual basis in the paradigm of Human Development, defined by economist and Nobel laureate Amartya Sen as the process of expanding people's options for a dignified life through the expansion of their capacities and their empowerment. The United Nations has used this development paradigm since 1990 when the first Human Development report was published and the Human Development Index was presented as a new development indicator for countries. In the context of Panama, the most relevant cooperation modalities refer to the strengthening or expansion of capacities, both human and institutional. Specifically, the 'Technical Cooperation' aimed at providing abilities in the form of personnel, training and research, in order to increase the level of knowledge, skills and competence in production that contribute to Human Development, will become the operational core of the NPC.

In turn, the NPC acknowledges that the global context in which it will work to achieve its development goals is influenced by the ubiquity of networks in all areas (economic, social, political, cultural, institutional, etc.). Networks have become the basis of the current socio-economic fabric. Starting from the concept of 'Network Society' as the social system of the current Information Age, the challenge for the NPC is to achieve its development goals in the context of the Network Society. To achieve this purpose, the articulation of a Cooperation strategy regarding the web is proposed; such strategy will be characterized by the integration of information and communication technologies (ICT), advanced management of information systems, and multi-actor participation (including the civil society and the private sector), among other elements.

The national context of development is derived from geographical and temporal factors. The physical location of the country in the Central American isthmus is symbolized by the Panama Canal as a transit and meeting point. Panama has a population and cultures characterized by



diversity, and a rich natural environment that includes the Mesoamerican Biological Corridor and the confluence between the Pacific Ocean and the Caribbean. As for the current socio-economic situation, Panama has been classified in the last years as a country of medium-high development, which entails a significant decrease of the external financial resources of Cooperation that flow to the country.

The Strategic Government Plan (SGP) 2015-2019 analyzes the country's context and proposes to bring about a better balance between social equity and sustainable economic growth in order

to raise the standard of living of all Panamanians, with a view towards the territorial, cultural and ethnic integration of the country. The SGP proposes to implement this vision by promoting actions aimed at attaining social inclusion and improving competitiveness, within the framework of an environmentally sustainable model. Six areas of action are identified: (i) Economic Development; (ii) Social Inclusion and Quality of Life; (iii) Strengthening of Human Capacities; (iv) Infrastructures; (v) Town and City Planning, Territorial Development and Environmental Sustainability; and (vi) Institutional Strengthening and Governance.

The main attributes of the PNC Cooperation strategy are summarized as follows:

» Proactive alignment with official national and international development priorities, one of





whose derivations is the goal of eliminating extreme poverty in Panama, at most by 2030.

- » Reducing inequality; possibly this is the main challenge for national development.
- » Double role for Panama in the demand and offer of Cooperation services, with the establishment of a cooperation hub/bridge for Latin America and the Caribbean.
- » Knowledge-based cooperation for a knowledge economy.
- » Creation and consolidation of a modern National System of Cooperation that is adaptable to future changes.
- » Cooperation based on networks and connections, to promote collaboration between development actors and multi-stakeholder participation (and to avoid isolation and 'island' effect).
- » Incorporation of Cooperation into foreign policy, with a role that is an integral part of State policies.

At the same time, a set of principles is proposed to guide the philosophy and style of work of the Cooperation in the NPC, they are enunciated as follows:

- » Coherence (with existing national policies and regulatory framework in force).
- » Prioritization of the most vulnerable individuals and social groups. Based on the principles of 'do not harm' and 'do not leave anyone behind'.
- » Evidence-based actions and decisions (data, information and analysis).
- » Participation (open, productive).
- » Harmonization (seeking complementarity between actions, avoiding duplications and lack of coordination).
- » Transparency (accountability, open access to information and generation of knowledge).
- » Comparative advantages (as a basis for deciding areas and actions).

One of the novelties of the NPC is that the development objectives arise from a strategic segmentation of the Cooperation in Panama based on supply and demand, with different mechanis-

ms and instruments. The demand refers to internal flows of cooperation in which Panama uses resources (financial, technical, human) to implement programs and projects that address specific problems of the country's development (such as public services, environment, insecurity, etc.) . Given the status of medium-income and high-growth country, the demand for Cooperation services will likely be largely financed with national funds.

The supply/offer side is related to external flows of Cooperation through actions that contribute to development in other countries and for which Panama can play a prominent role as promoter, catalyst or coordinator. This dimension will have characteristics of greater innovation and openness, not only in the actions themselves but also in the processes that allow their implementation.

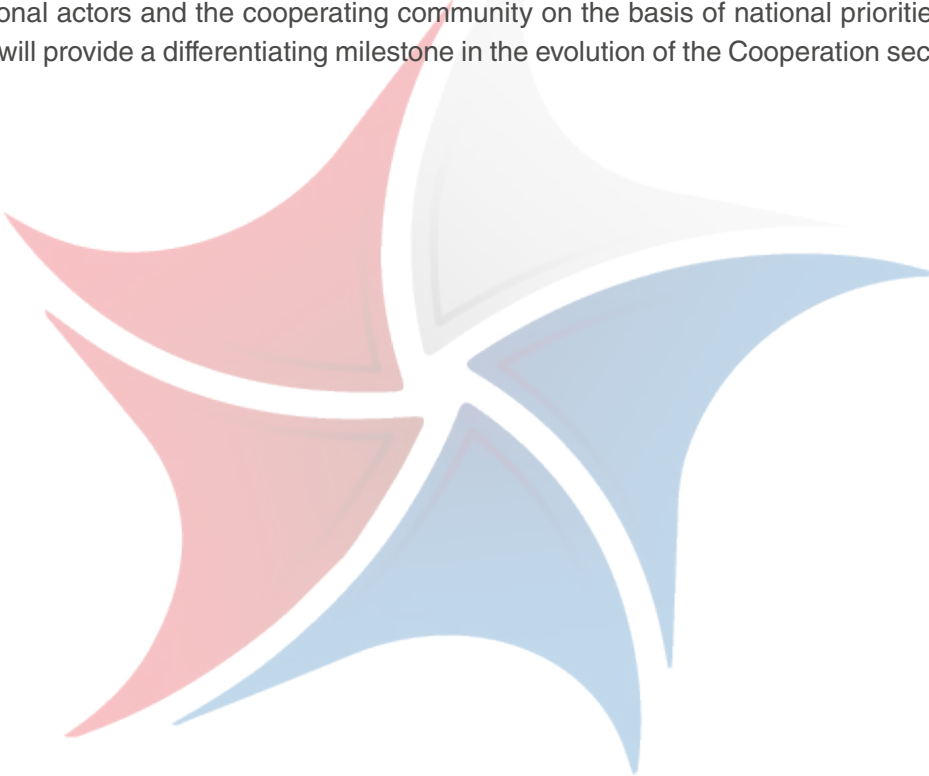
Two modalities can be considered for the supply/offer of Cooperation services. The first one places Panama as an offeror/mediator of South-South Cooperation, including Panama's own experiences and capabilities that have value for other countries (such as cargo and transportation logistics, the banking system, watershed management or the phone line for citizen's concerns, service 311), as well as exchanges between countries through the international cooperation hub/bridge. The second modality, of South-North Cooperation, implies a more innovative proposal, practically unprecedented in the area of International Cooperation. It is based on the offer and channeling of development solutions from the South to the global North. The reason for this proposal is that Latin America is already generating innovative solutions to specific development problems that may be applicable to Northern countries (e.g. on educational technologies, benefits of biodiversity, biochemical research, open governance, collaborative economy, indigenous rights, cultural goods, etc.). In this modality, the objective for Panama is to provide services as a knowledge connector for the South-North Cooperation flows.

The development objectives of the NPC establish the thematic priorities on which the demand for Cooperation by Panama is based. They are articulated through development axes, and each axis is assigned a set of possible lines of action. There are ten thematic axes and 2 transverse



axes. For each thematic axis, the NCP describes the development problem it addresses, identifies possible lines of action, and specifies the thematic priorities of the SPG and the SDGs with which the main target groups are aligned and identified. In the transverse axes, the lines of action are described briefly and how their effects would be applicable to many of the thematic axes. The following table summarizes the thematic priorities and their linkages with the PEG and the ODS.

The new National System of Cooperation will be the instrument of articulation and coordination of the actors who participate in the management of Cooperation actions. Its objective is to optimize and make efficient use of Cooperation resources, as well as to revitalize the relations between the national actors and the cooperating community on the basis of national priorities. Its establishment will provide a differentiating milestone in the evolution of the Cooperation sector in



List of development objectives (by axes) NPC and their alignment with SPG / SDG

SDG	THEMATIC AXES PNC
1. End of poverty 8. Decent work and economic growth Axis	Axis 1. A sustainable economy and economic opportunities
2. Zero Hunger 3. Health and wellness 5. Gender Equality 6. Clean water and sanitation 10. Reducing inequalities	Axis 2. A diverse and inclusive society Axis 3. An equal and equitable society for women and men Axis 5. Guaranteed basic services
4. Quality education	Axis 6. A universal and quality education, and a diverse and accessible culture
7. Clean and Affordable Energy 9. Industry, innovation, infrastructure	Axis 7. Efficient infrastructures and innovation systems for well-being and development
11. Sustainable Cities and Communities 12. Responsible production and consumption 13. Climate action 14. Underwater life 15. Life of terrestrial eco-systems	Axis 8. Inclusive and intelligent cities and communities Axis 9. A protected and sustainable environment
16. Peace, justice and sound institutions 17. Alliances to achieve objectives	Axis 4. A rights-based and secure society Axis 10. Modern and democratic institutions that are appropriate for the challenges considered
TRANSVERSAL AXES	
1) Data for development	
2) Articulated citizens who are empowered to participate	



Panama, since it will be the first time that a systemic approach will be used for Cooperation management that is both advanced and unifying. The establishment of the NSIC is by itself a special goal to be attained during the ICAP 2017-2019, in order to endow the country with the capacity to implement NPC policies and actions. In future ICAPs the NSIC will be subjected to monitoring and modifications in order to incorporate improvements and to correct problems.

Broadly speaking, the NSIC is made up of four main components, as shown in the graph: (i) Architecture, which defines the structure; (ii) Processes, which describe the modes of operation as well as the actions of Cooperation; (iii) Capacities, which identify the capacities that are necessary for the proper functioning of the System and the mechanisms to strengthen it; and (iv) Resources, both financial resources and instruments or tools (e.g. technologies). The objectives and main activities of each component are described as follows:

C1: ARCHITECTURE

Its goal is to constitute the institutional structure of the NSIC, in order to consolidate it through its operations and to create all the necessary spaces and mechanisms for its technical coordination, political dialogue and the norms required for its management. It will be an open network architecture with the flexibility to adapt to future stages.

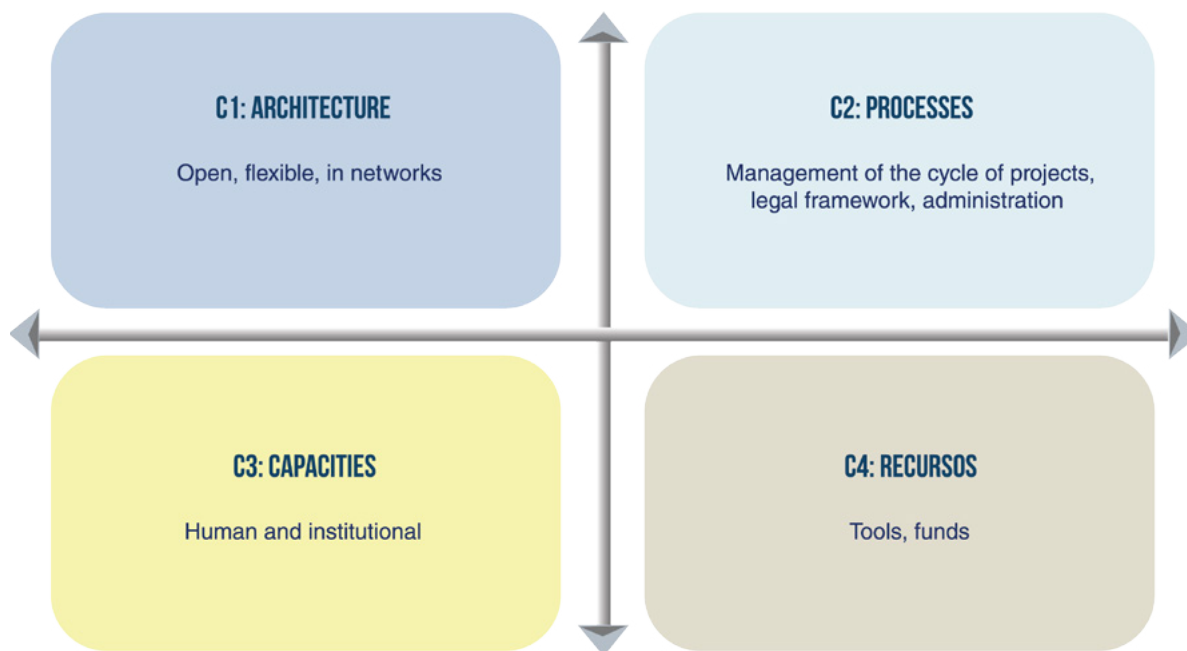
C2: PROCESSES

It is about the definition, uniformity and optimization of the management processes for the implementation of the strategy and the actions of Cooperation. This is the component that deals with the procedures that govern the cycle of projects, the monitoring and evaluation methodologies, knowledge management, administrative and financial management, and the legal framework for Cooperation.

C3: CAPACITIES

Professional and trained personnel must be used for specific topics of Cooperation in all units of Cooperation within the State, as well as to enhance the human talent in entities that are external to the State and that are involved in the NSIC

Graphic representation of the components of the National Cooperation System





C4: RESOURCES

The resources that the entities of the NSIC require to implement the Plan of Cooperation will be made available, particularly the financial resources and the technological tools. The demand and supply/offer of International Cooperation towards and from Panama will be systematized, prioritized and aligned.

The General Directorate of International Cooperation (GDIC) of the Ministry of Foreign Affairs, as the technical secretariat of the NSIC, will be the unit responsible for organizing the implementation of the System, specifying the actions, results and indicators with the National Cooperation Commission and the Cabinet of Cooperation.

The governance of the NSIC refers to how such System will be managed institutionally, including the roles and responsibilities assigned to key entities in the System. The NSIC will be headed by an International Cooperation Cabinet (ICC), with the responsibility of defining and updating the strategic guidelines of the International Cooperation Policy, the priorities for the elaboration of the ICAP, and the political agreement for the promotion of a specific portfolio of cooperation projects. The ICC will be made up of deputy ministers of the Ministries of Foreign Affairs, of Economy and Finance, of the Presidency and the Office of the General Comptroller of the Republic.

Other organizations in the institutional structure of the NSIC are:

- » The Vice-ministry of Multilateral Affairs and Cooperation. Functions: political dialogue; design of Cooperation policies.
- » National Cooperation Commission. Functions: follow-up of the NPC and decision making about its implementation.
- » Sectorial Committees. Functions: discussion and implementation of strategic decisions, definition of portfolios.

- » Technical Cooperation Unit in organizations. Functions: Implementation coordination at the organization level (e.g. a ministry).
- » Project boards. Functions: project implementation.

The Monitoring, Evaluation and Learning work (ME&L) will be an essential part of the processes of the NSIC, forming the basis of its Quality Control. These actions will not only influence the good performance of the Plan and the NSIC, but also will serve to influence public policies and government decisions. The NPC considers the ME&L to be an additional capacity building tool at the national level. ME&L methodologies will be standardized, taking into account the different levels of capacity of the individual actors. A methodological guide of ME&L for Cooperation in Panama will be developed and disseminated, accompanied by a series of activities and resources for ongoing training.

The NPC acknowledges that in the Network Society, and the web 2.0 era, communication is of strategic importance for development organizations to achieve their goals. Communication, both internal (between actors) and external (towards the public and the press), is a fundamental function to enhance the National Cooperation System. The communication actions will be based on an open and transparent information approach on the projects, as well as on the implementation of the ICAP. A communication strategy will be developed for the NSIC to identify actors, methods, tools and activities. The strategy will help to identify desired Communication priorities and products, as well as to make use of the limited capabilities and resources for such purposes.

As a final reflection, we must acknowledge that the new NCP is ambitious and represents a considerable leap forward based on the current situation. It is proposed with the conviction that each of its elements is feasible and also fits into the overall picture - due to its comprehensive approach. At the threshold of Agenda 2030, Panama is willing to adapt the standards of cooper-



ation to new trends and to occupy a differentiated place in the international cooperation System. The country already has the necessary resources and capacities to start the journey. And the results will be reflected in a life with more quality and dignity for all Panamanians - the best catalyst to fuel change.



INDEX OF ACRONYMS USED IN THE EXECUTIVE SUMMARY OF THE NATIONAL COOPERATION PLAN OF THE REPUBLIC OF PANAMA

- » GDIC = General Directorate of International Cooperation
- » ICAP = International Cooperation Action Plan
- » ICT = Information and Communications Technology
- » ME&L = Monitoring, Evaluation and Learning
- » NPIC = National Policy of International Cooperation
- » NPC = National Plan of Cooperation
- » NSIC = National System of International Cooperation
- » SDG = Sustainable Development Goals
- » SGP = Strategic Government Plan
- » SPIC = Strategic Plan of International Cooperation

