

Chapter 4

Knowledge Hubs — Progress in Practice since the Bali Communiqué

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1. Knowledge Hubs in a Multipolar World

Since the beginning of the XXI century, global development has seen unprecedented advances with deep social and economic transformations in many countries. In turn, resources, expertise and ideas are available in almost any corner of the planet, based on practical experience and often resulting in successful poverty reduction and sustained economic growth. In this context, the growing family of emerging economies and middle-income countries is taking an increasingly proactive and self-confident role in the global fight against poverty.

Building up on decades-old South-South cooperation, the contributions of these countries are not only complementing conventional aid by DAC donors and multilateral institutions. The good news is that their cooperation also tends to enrich global development by triggering horizontal partnerships in both discourse and practice, rooted in trust, equity and mutual benefit. As a very concrete example, knowledge exchange, one of the signature features for emerging economies role in development cooperation, reflects this new horizontality.

Knowledge exchange entails the sharing of proven solutions developed and validated in a country or institution, which might be adapted and transferred to others. In knowledge exchange, practice-based expertise and successful solutions are shared to governments and institutions with scarce resources. For a world looking to accelerate development and to find fast tracks to improve people's life, knowledge exchange constitutes a historic opportunity for policy-makers and practitioners committed to effective development. The main reason is that it often enables a quick, yet sustainable development of national capacities, inspired and motivated by practice-proven success and experiences advanced by peer governments and institutions.

In the past years, this historic shift of how to accelerate development has been fully recognized in global policy arenas, including the United Nations Development Cooperation Forum,¹ the G20 development agenda,² and the Busan High-Level Forum on Aid Effectiveness.³ At the same time, global policy-makers and on-the-ground practitioners share the idea that given its potential to speed up development results in an efficient way, knowledge exchange should be used much more extensively and systematically.

One of today's limitations to knowledge exchange is that development solutions are often shared in an ad-hoc way and based on short-term projects rather than longer-term programs.⁴ However, governments and sector organizations around the world have started to create institutional and operational arrangements which enable a broader and more continued knowledge exchange. While these can take on many different forms – such as cooperation agencies, specific departments, specialized teams or online platforms – there is a clear consensus that knowledge exchange should be embedded in strong institutions that harness and package high-quality know-how and solutions, share these with partners, and ensure their effective contributions to development.

As a response to this need, the concept of knowledge hubs has emerged as a key reference for governments and institutions desiring to expand and sustain knowledge exchange over long periods of time. Launched

1. ECOSOC (2013): Report on Conference of Southern Providers of South-South Cooperation – Issues and Emerging Challenges. Ver también Agencia Peruana de Cooperación Internacional (2013): Global Dialogue of Agencies and Ministries for International Cooperation and Development.

2. See for example G20 (2011): Scaling Up Knowledge Sharing for Development, A working paper for the G-20 Development Working Group, Pillar 9. Further background in G20 (2011): Emerging Lessons on Institutionalizing Country-Led Knowledge Sharing, Issues Paper prepared by World Bank Institute, as well as Freres, Christian; and Schulz, Nils-Sjard (2011): “Emerging Lessons on Institutionalizing Country-Led Knowledge Sharing - G20 Issues Paper”, World Bank Institute.

3. The Busan Partnership for Effective Development Co-operation (2011), paragraphs 30 and 31. As a follow up, the Global Partnership for Effective Development Co-operation (GPEDC) is currently preparing a concept note of Knowledge Sharing which utilizes Knowledge Hubs practices among the members. Additional information for the Asia-Pacific region can be found in Asian Development Bank (2013): Roundtable Conference On Building Effective Knowledge Sharing for Development: Lessons Learned and Regional Approaches in Asia and the Pacific.

4. For a key reference for good practices of South-South and triangular knowledge exchange, see Task Team on South-South Cooperation (2011): Good Practice Paper – Towards Effective South-South and Triangular Cooperation.

18 months ago as a contribution to the G20 development agenda, the idea of knowledge hubs has quickly evolved into a centerpiece of a global development landscape in full transformation. According to recent policy and practice discussions, a Knowledge Hub can be defined as “an organization or a network, dedicated to share and exchange development experiences and models with partners from other countries. Knowledge Hubs facilitate mutual learning about helpful and innovative approaches that may be adapted and scaled up elsewhere” (Bali Communiqué 2012, see box 1)

Box 1. The Bali High-Level Meeting on Knowledge Hubs (July 2012)

For the first time ever, policy-makers and practitioners gathered to promote Country-Led Knowledge Hubs (KH) in a High-Level Meeting co-organized by the Government of Indonesia, JICA, UNDP and the World Bank.

Based on emerging evidence, more than 300 participants from 46 countries engaged in a vivid and open debate on how to institutionalize and operationalize knowledge exchange. In-country lessons learned and next steps were discussed in five focused discussion panels and ten thematic roundtables.

In the outcome document, the Bali Communiqué, the participants agreed to establish a Community of Practice on Knowledge Hubs, deepen the analysis towards concrete options (of which this paper is part), and host a follow-up HLM in 2014, with a focus on specific institutional and operational challenges and solutions for KH.

For more details, see Annex 1.

Beyond its relevance for international policy-making, the idea of knowledge hubs is of primary value for national decision-makers and practitioners looking for concrete and practical guidance on how to create, scale up and consolidate knowledge exchange institutions. This has been vividly reflected in the First High-Level Meeting (HLM) on Country-Led Knowledge Hubs (see Box 1), prepared by the Government of Indonesia in partnership with JICA, UNDP and the World Bank. Held in Bali, Indonesia, on 10-12 July 2012, this HLM gathered more than 300 practitioners from 46 countries who discussed lessons learned and

emerging evidence on knowledge hubs.⁵ Galvanized in the Bali Communiqué, this event generated a shared understanding of knowledge hubs, as well as a strong sense for action around specific options and challenges of institutionalizing and operationalizing knowledge exchange. Finally, the Bali HLM also gathered key decision-makers around a concrete demand to deepen analysis and enable in-depth exchange on the how-to's of knowledge hubs.

Embedded in this demand and responding to the clear mandate of the Bali Communiqué, the involved partners are working intensively on supporting the emergence and strengthening of knowledge hubs around the world. The following pages provide a quick overview on key initiatives, among them analytical efforts to map institutional and operational aspects of existing knowledge hubs and an online Community of Practice on Knowledge Hubs.

2. Overview of Current Experiences at National and Sector Level

Many governments and organizations have set up institutional arrangements to participate actively in global development and share experiences with peers from other countries. In this dynamic context, knowledge hubs have emerged as a powerful institutional model to scale up knowledge exchange and help accelerate development through policy and institutional change in critical areas. Their key objective is to ensure that the practice-proven solutions fully contribute to sustainable development and effective poverty reduction not only through ad-hoc activities, but based on long-term programs and partnerships. As the Bali HLM has shown, using the model of knowledge hubs as a reference is very useful for policy-makers and practitioners committed to build and adapt institutions that channel solutions and experiences from one country to another, from institution to institution, and among practitioners and policy-makers.

However, knowledge hubs are a relatively new idea, and its concept is still evolving. As a consequence, systematization of experiences, models and practices remains scarce. To cover this gap and directly informing

5. A quick summary of the HLM can be found in Schulz, Nils-Sjard (2012): Knowledge Hubs in Practice – The Bali Lessons, southsouth.info. All contents of the event are available in Government of Indonesia (2012): Proceedings - High Level Meeting “Towards Country Led Knowledge Hubs”

the Bali HLM, the World Bank Institute undertook a pilot analysis looking into 12 knowledge hubs, five of which were national entities, and seven thematic organizations.⁶ This sample gathered the experience in six countries: Brazil, China, Indonesia, Mexico, Singapore and South Africa.



The study aimed to capture the following institutional and operational options for knowledge hubs:

Institutional arrangements: Among the key aspects, the study assessed the organizational models, the function and roles in developing partnerships, the coordination of external support, as well as the experiences with building KH within existing institutions (such as ministries).

Effective knowledge exchange operations: In this area, the analysis looked into the operational cycle of knowledge exchange, from validating and packing high-quality knowledge, as well as planning and implementing modalities for knowledge exchange, to financing options and monitoring and evaluating results achieved.

Importantly, the study differentiated between national and sector-level

6. World Bank Institute (2013): Knowledge Hubs Options – A review of institutional and operational practice in Brazil, China, Indonesia, Mexico, Singapore and South Africa; lead coordination by Nils-Sjard Schulz (MultiPolar)

knowledge hubs. National knowledge hubs are usually embedded in Ministries of Foreign Affairs and other ministries, such as Development Planning, which are in charge of negotiating and managing Official Development Assistance (ODA) and South-South Cooperation (SSC), particularly focusing on technical assistance and knowledge exchange. Typical examples include the Brazilian Cooperation Agency (ABC), created in 1987, and the Mexican Agency for International Development Cooperation (AMEXCID), launched in 2011. Both are hosted at their respective Ministries of Foreign Affairs. A substantial share of China's knowledge exchange is handled through the Department of Aid to Foreign Countries (DAFC) at the Ministry of Commerce (MOFCOM) which administers foreign trade and economic cooperation.

But there are also non-traditional models underway. In Indonesia, the four ministries in charge of South-South cooperation and knowledge exchange (Development Planning, Finance, Foreign Affairs, and State Secretariat) have established in 2010 a Coordinating Team (CT), which is hosted at BAPPENAS, the Ministry of National Development Planning. This helps connect knowledge exchange directly to national development policies. A similar 'mixed approach' was taken in Singapore, where the Ministries of Foreign Affairs, and Trade and Industry created in 2006 the Singapore Cooperation Enterprise (SCE), a public service organization in form of a limited guarantee company, which brokers highly specialized public sector and public-private expertise to international partners on a paid-for basis.

On the other hand, countries have set up knowledge hubs to address challenges in a very wide range of specific development themes, from climate change, disaster risk management to post-conflict public sector development. It is not surprising that these thematic knowledge hubs, hosted at or closely linked with ministries and specialized government agencies, are in full expansion around the globe. They often represent the very best of a country's commitment and capacities to fight against poverty, achieved over decades of development processes, and are bound to become key pillars of a national development system based on solutions and practical experience. This outstanding potential is now being fully recognized by line ministries and specialized government institutions, which are investing in their institutional and operational capacities to exchange their solutions on a larger scale.

Within the basic distinction between national and sector-level knowledge hub, the study came to a number of essential conclusions. In this line and fully recognizing the differences among institutions, it summarized the lessons learned for national knowledge hubs in the following way:

- Firstly, even though all the national knowledge hubs analyzed are active in knowledge exchange, they often do so under the umbrella of South-South cooperation and overall development cooperation, which in turn are related to foreign policy priorities. Practice-based expertise and solutions are still to be recognized as full-fledged pillars of the national development cooperation system. Here, China and Indonesia are pioneers who include knowledge exchange explicitly in both their national development policies, i.e. the 2011 White Paper on Foreign Aid and Grand Design on South-South Cooperation (2011-2025), respectively.
- Secondly, there is a clear commitment to two-way development cooperation, as a provider and receiver. However, when it comes to knowledge exchange activities, most national knowledge hubs still focus on the supply, that is, the ability to share and disseminate national solutions, rather than to receive experiences from abroad. Although the MFA-hosted agencies are often doorkeepers of traditional Official Development Assistance (ODA) and technical assistance, there are only limited experiences with managing the inflow of solutions from other countries. However, AMEXCID is moving into this direction through the modality of Joint Funds, piloted with Chile and recently launched with Uruguay. This modality enables a continuous ‘give and take’ of development solutions among the partners.
- Thirdly, national knowledge hubs fulfill a critical role in coordinating national institutions. In Brazil, there are at least 39 central government entities active in South-South knowledge exchange managed through ABC, and Indonesia’s ample portfolio, of more than 400 projects from 2000-2010, involves 15 ministries and government agencies. Mexico’s AMEXCID has recently launched a catalogue of high-quality solutions in 26

public institutions in five priority areas (agriculture, education, environment, health and public security). In Singapore, SCE connects the experience of all 15 ministries and 66 statutory boards of the government. SCE's focus on public-private partnership in urban planning helps strengthen ties among government institutions, in particular at the level of its board.

- Fourthly, organizationally the national knowledge hubs rely on rather small teams dedicated to knowledge exchange, an average of 15-20 persons.⁷ There are often challenges related to insufficient staffing and high turnover rates, especially in hubs such as ABC and AMEXCID that are hosted at MFA and therefore using mostly “on-the-move” diplomatic personnel and consultants. More continuity is being ensured for Indonesia’s CT, which relies on the staff of the four ministries, seconded to the coordination mechanism. Overall, human resource management remains one of the key organizational challenges for national knowledge hubs.
- Finally, given their anchorage at ministries, national knowledge hubs are often better situated when it comes to predictable and sustainable budget allocations for knowledge exchange activities. However, financial resources are scarce in all cases, and institutional core budgets (for staffing and program management) tend to be very tight even in high-profile cases such as ABC and MOFCOM. Apart from SCE which has received some support from private foundations, funding schemes are still very rigid. Innovation, particularly around public-private partnerships and corporate social responsibility, is only slowly becoming part of longer-term reflections of decision-makers at national knowledge hubs, for example as part of Indonesia’s South-South policy, the proposed Grand Design 2011-2025. Overall, there is still a need to ensure adequate institutional finances, especially with a view to future scale up.⁸

On the other hand, thematic or sector-level knowledge hubs tend to share some of the following characteristics:

7. Agencies such as ABC and AMEXCID are staffed with around 200 professionals, of which only a relatively small part is dedicated to knowledge exchange specifically. In both cases, the institutions also manage incoming ODA.

8. To deepen the discussion on this specific topic, see Schulz, Nils-Sjard (2013): Financing knowledge hubs – Current modalities and opportunities, southsouth.info.

- Firstly, even where specific departments have been established, over time thematic knowledge hubs tend to mainstream knowledge exchange into their institutional and operational day-to-day business, that is, across teams. In cases such as Brazilian Agricultural Research Corporation (EMBRAPA), Brazil’s Oswaldo Cruz Foundation (FIOCRUZ), and the Mexican Ministries of Social Development (SEDESOL) and of Environment and Natural Resources (SEMARNAT), small Secretariats manage the knowledge activities and reach out to in-house specialists and practitioners, thereby taking advantage of the full human capital of the institution.
- Secondly, thematic cross-country networks and fora are an essential avenue for thematic knowledge hubs to exchange specialized solutions in multiple directions, while making sure that expertise from abroad is enriching and informing in-house capacities. For example, SEMARNAT is deeply involved in the platforms of the United Nations Reducing Emissions from Deforestation and Forest Degradation (UN-REDD+) Program, where solutions are flowing from and towards the Mexican ministry. Similarly, FIOCRUZ collaborates with a large number of peer institutions in the Latin American and Caribbean Association on Education in Public Health (ALAESp), both contributing and benefitting.
- Thirdly, because of their high degree of specialization, it is natural for thematic knowledge hubs to build in-country networks where solutions and expertise are gathered and validated. This permits to reach out to a diverse set of actors, including civil society, private sector and academia specializing in the same field. Brazil’s EMBRAPA and FIOCRUZ are pioneers in engaging with business in public-private partnerships, for example around technologies such as biotech laboratories or human milk banks. China’s AIBO and GSCASS work very closely with local authorities and industry companies, especially for field visits and on-spot experience exchange. Mexico’s SEDESOL and SEMARNAT both maintain vivid consultative committees which gather non-governmental actors, in particular civil society organizations which often are members of international thematic networks themselves, and are now increasingly partnering in

inter-governmental knowledge exchange.

- Fourthly, thematic knowledge hubs usually draw on specialized and well-connected practitioners to manage their knowledge exchange activities. For instance, FIOCRUZ benefits from experienced public health specialists who also bring in sound capacities of designing and managing international programs, including those at the World Health Organization (WHO). SEDESOL and SEMARNAT use similar approaches to involve experienced senior staff, who can also guarantee a high-quality visibility of the institution in the international arena. The ‘networkability’ of staff has been brought to another level at the Collaborative Africa Budget Reform Initiative (CABRI), where a multi-national staff, composed partly by secondees, reflects the diversity of partners involved in this cross-country platform hosted at the South African Treasury. In general terms, thematic knowledge hubs are not only aware of the critical value of high-quality staff, but also well positioned to attract and maintain the needed profiles on the longer run.

- Finally, finances for institutional and operational development are limited, but thematic knowledge hubs tend to have a broader margin and higher innovation when mobilizing resources. Hosted at, or closely connected to line ministries, while also involved in large-scale sector programs, available funding can be ‘stretched’, for example in the area of capacity development or technical assistance. Given their high-profile expertise, hubs such as FIOCRUZ can easily attract non-traditional funding, in this instance by the Bill and Melinda Gates Foundation, while Chinese Academy for International Business Officials (AIBO) and Graduate School of Chinese Academy of Social Sciences (GSCASS) have started to engage with local governments and private sector to mobilize resources. Apart from resources of South Africa’s National Treasury, CABRI uses its clear change narrative to mobilize direct institutional support from development partners such as Germany’s Agency for International Cooperation (GIZ) and the United Kingdom’s Department for International Development (DfID), in financial, staff and in-kind contributions. As a cross-country platform, CABRI is also pioneering self-funding through fees for institutional membership, which covers already

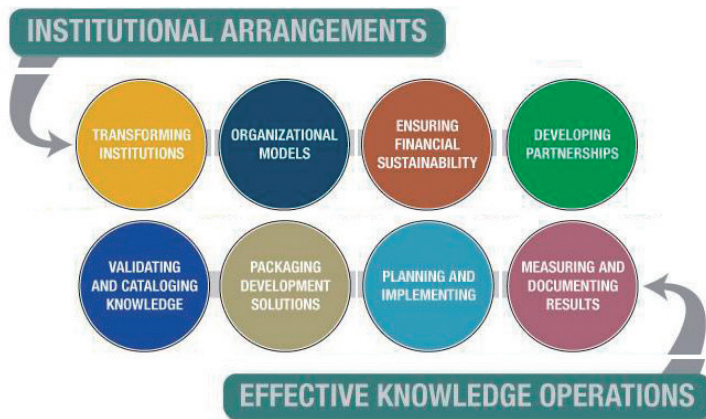
40% of the annual budget, and has generated a strong sense of co-ownership of participating government institutions. Overall, thematic knowledge hubs seem to be well placed to mobilize and scale up institutional finance in both conventional and innovative ways.

3. Mutual Learning in the Community of Practice

One of the key outcomes of the Bali HLM was the need to “further facilitate a learning process that needs to be sustained over the coming years”, for which the Bali Communiqué calls to establish and nurture a Community of Practice on Knowledge Hubs. Fulfilling this demand, an alliance between the Government of Indonesia, ADB, JICA, UNDP and the World Bank launched in January 2013 the Knowledge Hub Community hosted at www.knowledgehubs.org which provides a privileged and dedicated web space for champions desiring to share experiences with creating and scaling up Knowledge Hubs in a practical way. It also desires to act as a repository galvanizing emerging analysis and information on the how-to’s of Knowledge Hubs, and to discuss emerging good practices and potential benchmarks. Overall and beyond its own activities, the Community of Practice also aspires to serve as a source to inform peer learning activities such as webinars, video conferences, regional meetings and follow-up events to the Bali HLM.

Key members are decision-makers and practitioners from knowledge exchange institutions of emerging economies and developing countries, who are joined by representatives from multilateral institutions, traditional bilateral development partners, civil society organizations and private sector companies. The Knowledge Hub Community of Practice is not only a direct consequence of the Bali HLM, but is also linked to other broader community activities around knowledge exchange, for example at the South-South Opportunity hosted at southsouth.info, which was launched in 2009.

To structure its collaborative work, the Knowledge Hub Community of Practice is designed around the main pillars analyzed by and emerging from the study outlined above. As a continued effort of learning and exchanging ideas, the community members look into the following institutional and operational components of Knowledge Hubs:



Within this learning framework, the Community has advanced substantially in its activities involving hundreds of members from around the globe. Among key results of immediate relevance for the practice Knowledge Hubs, the following stand out:

- Following the framework highlighted in the graphic, monthly themes look into specific opportunities and challenges of Knowledge Hubs, for example in the topics of “Transforming Institutions” (April 2013) “Planning and Implementing Knowledge Exchange” (May), “Learning from Failure” (June) and “Building and Sustaining Partnerships” (September). Inspired by private sector participants, these debates enabled important reflections around validation of solutions, the merit-based incentives for sharing these, as well as smart technological solutions. Focusing on specific issues has enabled the Community to gain traction around practical questions, and strengthen the cohesion of members resulting from shared challenges and solutions.
- Webinars with experts from public institutions and private sector have become a center piece of the Community’s assets. Facilitated by the World Bank Institute, the webinar series – closely linked to the thematic months (see above) – have generated a vivid debate by benefiting from insights of knowledge experts from institutions such as the Instituto Tecnológico y de Estudios Superiores de Monterrey (Mexico), the Asia-Pacific Finance and Development Center in Shanghai (China) and the National Aeronautics and

Space Administration, NASA (USA).

- While primarily engaging with members from government-led Knowledge Hubs, the Community has pioneered open discussions with private sector experts. The heavy investment of private companies in knowledge management is indeed an underexploited reference for public sector institutions. In this line, experts from companies such as 3M, Caterpillar and ConocoPhillips shared valuable lessons learned with setting up and adapting efficient and effective knowledge hubs within multinational companies relying on specialized staff spread around the globe.
- As one of the go-to places for Knowledge Hubs, the Community offers a platform for sharing ideas and launching debates around specialized blog posts. Apart from systematizing critical conclusions from the webinars, knowledge hub experts are sharing their expertise with the members, for example Ashley Good from Fail Forward (Canada) who described the benefits of learning from failures to find the best solutions, Sebastian Longhurst from Fluyt (Colombia) on result-oriented modalities, and Daan Boom from the Islamic Development Bank on the key role social media play for knowledge hubs.
- With the Community growing every day, members are also highlighting the need to create spaces for discussions in regional chapters, which can also help coordinate online or video-based exchanges without the limitations of huge time differences. Currently, there is an Asian-Pacific chapter being built up by the Asian Development Bank, which will be an integral pillar of the overall Community.
- For the near future, the Community will further diversify its services to host and disseminate ongoing initiatives to support Knowledge Hubs. As an example, the World Bank Institute is currently working closely to advise and assist Knowledge Hubs in countries such as Brazil (Association of Sanitary and Environmental Engineering), Colombia (National Administrative Department of Statistics), Indonesia (National Agency for Disaster Risk Management) and Nigeria (Lagos Metropolitan Area Transport Authority). The involved partners now plan to host these pilot

engagements in ‘living laboratories’ where lessons are shared and emerging solutions validated by the broader Community, thereby crowdsourcing the evolving learning around the practical how-to’s of Knowledge Hubs.

4. What’s Next for Knowledge Hubs

In the 12 months following the HLM on Country-Led Knowledge Hubs held in Bali (Indonesia), the proposals reflected in the Bali Communiqué have been put in practice through strong partnerships and a shared energy growing every day. Governments and countries’ institutions are engaging in pilot efforts to build or reform knowledge hubs, while sharing their lessons with peers and partners around the world. Colombia and Indonesia are key drivers at this stage, also taking the Knowledge Hub idea to other fora such as the G20 Development Working Group. Multilateral organizations are providing resources and spaces for learning and exchanging lessons, for example through the Community of Practice hosted at www.knowledgehubs.org and by providing pioneer analysis on institutional and operational options for Knowledge Hubs. Here, the World Bank Institute and partners at ADB and UNDP play a central role. Private sector specialists have come on board of the online Community, and might support the institutional and operational development of public sector Knowledge Hubs in the future.

This inspiring and energy-loaded context opens a wide horizon for all partners to work on concrete steps to support the emergence and strengthening of Knowledge Hubs at the national and sector level. The most important next steps include the following:

- Governments such as Brazil, Colombia, Indonesia and Nigeria are already pioneering efforts to set up and consolidate knowledge hubs, particularly at specific thematic areas where valuable solutions have been developed to fight poverty. These initiatives help scale up the institutional and operational capacities to capture, validate, package and share knowledge in a systematic and sustainable way.
- The Community of Practice will continue growing in membership, contents, and practical relevance for supporting

Knowledge Hubs around the world, with increased peer learning dynamics through a variety of channels (webinars, blog posts, face-to-face events, etc.).

- Practice-based tools for Knowledge Hub development are emerging, for example through self-assessment surveys and adaptable road maps currently being designed by the World Bank Institute as a service to countries and institutions interested in setting up Knowledge Hubs.
- Analytical work will inform country-led efforts to build and scale up Knowledge Hubs by identifying clear-cut options and pathways to invest in institutional and operational capacities, based on the practice and experiences of existing institutions.
- Pilot engagements by multilateral organizations such as the World Bank Institute will provide high-quality support to countries and sector institutions desiring to invest in their Knowledge Hubs in practical ways, while also learning from each other.
- Under country leadership, Knowledge Hub lessons can be shared in global fora, among them the G20 Development Working Group meetings, the UN-hosted Global South-South Development Expo as well the sessions of the Steering Committee of the Global Partnership for Effective Development Co-operation.
- A Second High-Level Meeting on Country-Led Knowledge Hubs is being planned for 2014, under the possible leadership of the government of Korea, bringing together the multi-faceted ongoing initiatives around Knowledge Hubs as pillars in a multipolar world.

Annex 1



EXECUTIVE SUMMARY OF THE HIGH-LEVEL MEETING ON
COUNTRY-LED KNOWLEDGE HUBS

BALI (INDONESIA), 10-12 JULY 2013

Why was the HLM so unique?

For the first time ever, policy-makers and practitioners gathered to promote Country-Led Knowledge Hubs (KH) as pillars for a global development system that uses the full potential of knowledge exchange. Over the past years, developing countries have been investing in their institutional and operational capacities to share their successful experiences and practice-proven solutions. Building agencies, departments and specialized platforms, in particular middle-income countries take an increasingly proactive and self-confident role in the global fight against poverty, in line with the proposals suggested, among others, by the G20.

However, these efforts are often disconnected from each other, and there is still limited guidance and evidence on how to create KH that are effective and sustainable. In view of this gap, the Bali HLM – co-organized by the Government of Indonesia, JICA, UNDP and the World Bank, was a groundbreaking pilot with more than 300 highly motivated key decision-makers from 46 countries looking into the options to institutionalize mutual learning and equal partnerships through KH. Lesson learned and next steps were discussed in five focused discussion panels and ten thematic roundtables, in a vivid and open debate based on emerging evidence.

Launched by Indonesian Vice President Boediono, the event was guided by senior-level representatives such as Indonesian Minister of National Development Planning (BAPPENAS) Armida Salsiah Alisjahbana,

World Bank Managing Director Sri Mulyani Indrawati, JICA Vice President Hiroto Arakawa, and UN Assistant Secretary-General and UNDP Assistant Administrator, Ajay Chhibber.

During the HLM, practitioners shared their experiences with national and sector-specific KH models. These included, among many others, the Argentinean South-South Cooperation Fund (FO-AR), the Brazilian Agricultural Research Corporation (EMBRAPA), the Colombian Presidential Agency for International Cooperation (APC), the Indian Energy and Resources Institute (TERI), the Indonesian Coordinating Team, the Korea Development Institute (KDI), the Mexican Agency for International Development Cooperation (AMEXCID), the Singapore Cooperation Enterprise (SCE), and the Turkish International Cooperation and Development Agency (TIKA).

Against this inspiring background, the participants achieved a shared understanding of practical challenges and opportunities for KH to become a centerpiece of development cooperation and international relations. Opening up an intense work agenda for the next years, concrete next steps were outlined in the Bali Communiqué to inspire country processes and cross-country mutual learning.

What were the main messages from the HLM?

Based on the Bali Communiqué and the outcomes of the thematic roundtables, the key message from the HLM is that knowledge exchange is a vital complement to existing technical and financial cooperation in a multipolar world, which needs to be scaled up in order to fully contribute to sustainable development and poverty reduction. In this promising context, KH can help create an enabling environment helping take advantage of the development experiences and models proven successful in practice, particularly, although not exclusively, in middle-income countries.

Specific messages address the political, institutional and operational dimensions of KH:

At the political level, KH are now fully recognized as a critical pillar of the national and international architecture that takes advantage of knowledge as a public good to be exchanged openly. Their key functions include leveraging budget allocations and enable an efficient use of

limited financial resources; facilitating coordination both to share and receive knowledge; assuring quality, result orientation and accountability. In addition, KH play an essential role in formalizing international partnerships and embedding KE into an external affairs approach which is based on horizontality, mutual benefit, and 'soft power'. Building and sustaining KH require strong energy and commitment of all relevant national stakeholders, especially at the level of policy- and decision-makers, including those responsible for allocating financial and human resources.

Institutional models have emerged in sectors and countries, with many lessons on how KH can make best use of mandates and resources. In many cases, existing institutions, capacities and coordination mechanisms can be adapted in a flexible way, rather than creating additional bureaucracy. The Bali HLM highlighted the value of national umbrella KH capable of ensuring inclusive engagement of all relevant national actors beyond government and formalizing cross-country partnerships with a clear long-term perspective. Sector KH are coordinating from strong expertise, clear result orientation and thematic networks, often with outstanding impact and sustainability. Both national and sector KH can benefit from collaboration with multilateral organizations that offer brokering and 'match-making' services, help map and systematize high-quality knowledge, mainstream knowledge exchange in a blended mix of development operations, and increasingly support institutional development of KH in a direct way.

Operational tools and solutions for KH are advancing quickly, although in a rather fragmented way. The Bali HLM stressed the need to ensure that only high-quality knowledge is exchanged in a transparent way. Common, binding and verifiable criteria should be used to identify the 'right knowledge' which should be easily accessible through online knowledge catalogues hosted at KH. In regards to implementation, a wide range of modalities exist already (such as field visits, workshops and joint studies), and further opportunities emerge from low-cost communication technologies (e.g. videoconferences, file sharing, and social networks). A key responsibility for KH relates to ensuring continuous result orientation of larger-scale knowledge exchange, where low-cost monitoring and evaluation systems are emerging in a number of countries. Finally, financial sustainability can be ensured through KH using a mix of national resources, international support,

cost-sharing models and private sector engagements.

Ways forward

The Bali HLM launched a long-term process of bringing KH to the forefront of the international commitment with poverty reduction and inspiring countries to scale up their institutional and operational capacities to exchange and share high-quality knowledge. A key factor to success lies with continued mutual learning among governments and institutions. To advance this, the co-organizers of the Bali HLM have committed to:

- Until the end of 2012, establish a Community of Practice on Knowledge Hubs ('The KH Community') to create a knowledge repository on KH and to enable regular exchanges among policy-makers and practitioners from interested countries and multilateral partners.
- Over the next months, continue the ongoing analysis on experiences by governments and specialized institutions to create and sustain country-led KH, in order to inform the learning process with clear-cut options.
- Host a follow-up HLM in the next two years, with a focus on specific institutional and operational challenges and solutions for KH to become effective and sustainable.

Beyond the co-organizers, other governments and multilateral institutions are encouraged to join these efforts with specific contributions to mutual learning, analysis and events.

Annex 2

Useful references:

- Agencia Peruana de Cooperación Internacional (2013): Global Dialogue of Agencies and Ministries for International Cooperation and Development, 11-12 April 2013.
- Asian Development Bank (2013): Roundtable Conference On Building Effective Knowledge Sharing for Development: Lessons Learned and Regional Approaches in Asia and the Pacific.
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