Cooperación COORDINATION, EFFECTIVENESS Española AND IMPACT

KEY ASPECTS OF EU FUNDING DELEGATED TO SPAIN



Picture: AECID

The European Union is the world's largest development cooperation donor. The wide-ranging and diverse challenges presented by international circumstances, and the Agenda for Sustainable Development assumed by the international community and – therefore– by the European Union (EU) and its Member States, call for coordinated and effective cooperation, with real impact, in order to attain the specific development outcomes that are sought.

One way of achieving this is through entities, such as the Spanish Agency for International Development Cooperation (AECID), certified by the European Commission to manage such development funds. Since 2010, AECID has managed development cooperation initiatives funded by other Member States, as well as by the EU itself.

The management of funds delegated to AECID, **585 million euros in total**, has increased the

Spain ranks third, after Germany and France, in the volume of EU delegated cooperation funds managed effectiveness of Spanish Coope ration, improved **coordination and harmonization** between donors, and reduced **transaction costs.**

WHAT IS IT, THE DELEGATED COOPERATION?

Delegated Cooperation is a means of providing Official Development Assistance (ODA). In it one or several agencies ("silent donors") entrust another (a "lead donor") with undertaking all or part of the activities of the aid.

WHERE DO WE COOPERATE

Initially AECID's management of delegated funds was initially focused on **Latin America** – region that continues to present the highest accumulated total of delegated funding. However, the creation of the EU Regional Trust Fund, in Response to the Syrian Crisis ("the Madad Fund") in 2014, and of the European Union Emergency Trust Fund for stability and for addressing the root causes of irregular migration and displaced persons in Africa in 2015, raised the profile of **Africa and Asia**.

In 2023 7 agreements per a total of 20.2 million

euros were signed:

- Latin America: 4 contribution agreements, 13.7 millions
- Africa and Asia: 3 contribution agreements, 6.5 millions





<u>COMISCA</u> "Public Health Support to the COVID 19 Contingency Plan of the SICA region"



The implementation

of this project has managed to mitigate the impact of the COVID-19 pandemic in the SICA Region, supporting national capacities to respond effectively to the pandemic regionally. The use of the COMISCA® Joint Negotiation mechanism for the acquisition, purchase and distribution of medicines and medical supplies has been implemented. This program has allowed the Member States of the SICA Region to obtain savings with the reduction of prices of $\in 1,022,924.61$, which in percentage terms meant a saving of 29% thanks to the efficiency in the negotiation of prices for purchase.

PHILIPPINES "Justice and Society".

The objective of the programme is to establish a democratic governance environment conducive to a peaceful transition in the Bangsamoro Autonomous Region of Muslim Mindanao (BARMM). The project will contribute to a smooth and timely transition by strengthening the capacities of the three branches of the Bangsamoro Government to promote an enabling environment for good governance and effectively implement the policies set out by the transition plan.





2023 has seen the consolidation of the Team Europe Approach, that seeks to define **synergies in the strategic interests of its members so that the resources donated in order to achieve a sustainable impact** in a country or region are optimized. In 2023 a total of 168 Team Europe Initiatives (TEI) were defined: 132 national, 32 regional and 4 global.

In 2023, AECID has movilized more than 1,940M€ in 58 TEI, distributed as follows:

TOTAL	58 TEI (41 natio- nal, 15 regional, 2 global)	I,940M€
Latin America and Caribbean	24 TEI (17 nat, 7 reg)	I,380M€
Africa and Asia	32 TEI (24 nat, 8 reg)	537M€
Global	2 TEI	23M€

GLOBAL GATEWAY

2023 has been the year of the consolidation of the new European strategy Global Gateway has been launched. It seeks to promote smart, clean and safe investments in quality infrastructure that sustainably connect people, goods and services around the world . It aims to reduce the global investment gap around the world (G7 Leaders commitment, June 2021), acting in 5 key areas: digital, climate and energy, transport, health, and education and research.



To this end, an investment of 300,000 million euros is planned for the period 2021-2027.

AECID contributes to some of the Global Gateway's flagship projects through infrastructure programs financed with FONPRODE funds. They also include social initiatives and the development of public policies, which are essential for the sustainability of the actions. In November 2023 the list of 138 flagship projects for 2024 was approved. This adds to the 87 approved for 2023. In the 2024 list 6 programs of AECID are included, in Bolivia, Senegal, Paraguay, Honduras, Dominican Republic and Brazil.



Within the European Practitioners' Network, AECID leads, together with the German development agency, GIZ, the Task Force Team Europe, which aims to facilitate the exchange between the members of the Working Group and the EU on the implementation of a Team Europe approach and on the sustainable implementation of the Global Gateway. Additionally, it participates in some of the working groups that exist within this network, such as the Contractual and Financial Framework Working Group. It aims to ensure that simplified and workable contractual frameworks are established under which members of the network can collaborate efficiently with the EU .



GLOBAL DATA

Today, the management of delegated funds is a key instrument for AECID. In December 2023 AECID had **57** ongoing agreements with a total of 348 million euros. In addition, 41 programmes have already been closed for a total of 237.2 million. Most of the projects – 94 out of 98 – are development initiatives formalized with the European Union, with AECID managing 579.9 million euros.

TYPES OF DELEGATED COOPERATION

Delegated funds are articulated through the signing of agreements between the European Union or the donor Member State and AECID. They can take the form of delegated cooperation, blended cooperation – combined funding – or grants.



MOZAMBIQUE "Support for the Fight against Corruption in Mozambique"

Support to the Government of Mozambique in the fight against corruption in the justice sector. Institutional reinforcement of 14 partner institutions of the justice system, professional associations, civil society organizations and the media. Strengthening national mechanisms to prevent, combat and control corruption in a systematic and effective manner. EU FUNDS 579.9 millions €

OTHER MMEE FUNDS 5.4 millions €

Delegated cooperation, a form of technical-financial cooperation entailing the transfer of both resources and the responsibility for oversight, is the modality most commonly used by AECID and its European partners – in 79 out of 98 operations formalized. This form of cooperation accounts for 71% of the total delegated funds managed, or 415.2 million euros.

Blended cooperation combines repayable and non-repayable cooperation funds in order to leverage funds, with lower finance costs for the recipient. This form of financing represents 27.4% of the EU cooperation funds delegated to AECID—a total of 160.7 million euros deriving from 13 agreements.

ETHIOPIA Shire Alliance. "Energy Access for Host and Refugee Communities in Shire."

Improving living conditions in the Kobe and Hilaweyn refugee camps (Dollo Ado, Ethiopia's border with Somalia), increasing access to energy in homes and community services as well as outdoor lighting; reducing carbon emissions and improving the protection of women and children. It includes the promotion of businesses linked to solar energy among the refugee population and host communities. TOTAL DELEGATED FUNDS 2010-2023 585.3 millones €

Grants from "silent donors" or direct awards of funds through a "call for proposals" represent the management model that to date has received the lowest volume of funds, with the **6 operations agreed** accounting for a total of **9.4 million euros** delegated to AECID, i.e., **1,6% of the funds delegated** to the Spanish institution.

DELEGATED COOPERA-TION AND THE INTERNA-TIONAL DEVELOPMENT AGENDA

The **2030 Agenda** for Sustainable Development requires effective instruments that contribute to the achievement of the Sustainable Development Goals (SDGs) that it proposes. In this new universal agenda, donor countries play a crucial role in ensuring that the most vulnerable countries can meet the goals considered for global sustainable development.

The role of new financing instruments, such as those relating to delegated funds, is key to achieving this development through coordinated and effective actions with the greatest possible impact.

The suitability of this modality is reinforced by its inclusion in **SDG 17, which seeks to revitalize the Global Partnership for Sustainable Development.**