

## KEY QUESTION



### Who are the main actors in Spanish development cooperation?

#### MAEC steers strategy, AECID leads implementation

Under the overall leadership of the Prime Minister, currently Mariano Rajoy (People's Party, PP), the Ministry of Foreign Affairs and Cooperation (MAEC) sets the strategic orientation of Spanish development policy. The Prime Minister's Office (La Moncloa) covers development at high-level forums like the UN General Assembly or the G20. Since November 2016, the MAEC is headed by Alfonso Dastis (an independent diplomat). Within the MAEC, the Secretary of State for International Cooperation and for Ibero-America, Fernando García-Casas, a diplomat appointed in early December 2016, covers development-related issues. García-Casas supervises the work of the General Secretariat for International Development Co-operation (SGCID), an administrative body based at MAEC that steers development policy and defines ODA funding priorities, as well as the work of the Spanish Agency for International Development Cooperation (AECID). While other SGCID leadership staff still need to be appointed, the AECID is directed by Luis Tejada since September 2016.

At a ministerial level, other key players include the Ministry of Treasury and Public Function (Ministry of Finance), who drafts the development budget bill, and the Ministry of Economy, Industry and Competitiveness (MINECO). MINECO is engaged in debt relief operations, in the management of Spain's Development Promotion Fund (FONPRODE) jointly with MAEC, and in disbursements to regional development banks and finance institutions.

The MAEC oversees Spain's development agency AECID, which is responsible for implementing bilateral programs, humanitarian aid, and funding to civil society organizations (CSOs). It also advises the MAEC on allocation questions. However, its volume of activities has drastically decreased due to the overall budget cuts: Activity went down from €870 million in 2011 to €230 million in 2014 (a 73% decrease).

FONPRODE is the main financial instrument for voluntary multilateral funding, loans, and equity investments. While the AECID manages day-to-day FONPRODE operations, the MAEC (together with the MINECO and other ministries) defines its funding priorities. FONPRODE was created in 2010, initially to separate ODA from Spanish commercial interests and ensure that no loans were allocated to heavily indebted countries. FONPRODE's mission originally included the disbursements of voluntary multilateral funding, but grants have been excluded from this instrument due to budgetary constraints since 2012. In addition, administrative burdens have prevented

ed FONPRODE from disbursing the entire budget that had been approved by the Parliament. This is a major factor behind Spain's underspending of its ODA budget: in 2014, 20% of funds budgeted for ODA were not disbursed.

The Spanish parliament is composed of two chambers (Congress of Deputies and Senate): each of them has a Development Committee. Members of Parliament debate and vote on commitments related to development, and can request information on all development matters. While there used to be a high level of consensus across the political spectrum regarding development issues, current budget cuts have led to tense debates and amendment proposals by the opposition, blocked in the past by the Partido Popular's absolute majority. After the June 2016 elections, five months of political stalemate resulted in the formation of a minority government in November 2016. This situation results in a greater influence of the Parliament over development policy and the ODA budget.

Spain's civil society, including secular and Catholic non-governmental organizations (NGOs) and think tanks, is a significant player in development. Despite NGOs having lost influence in recent years due to political shifts, the level of NGOs' inclusion in policy dialogue remains high, both through bilateral platforms and the MAEC's consultation Council for Development Cooperation. Coordinadora de ONGD España (CONGDE, Spain's main development-CSO umbrella organization), coordinates NGO activities and regularly interacts with government actors. It has 76 members. While NGOs have traditionally implemented large shares of bilateral ODA (41% in 2014, which is well above the OECD Development Assistance Committee (DAC) member average of 17%), they are strongly affected by current ODA reductions: many of them rely on public funding, both from AECID and sub-national governments.

Spain is a highly decentralized country: sub-national state actors (autonomous communities, local administrations and universities) also provide ODA and conduct decentralized cooperation activities. According to government estimates, they contributed €206 million in ODA in 2015. However, their share of ODA in Spanish development cooperation is declining: it went from 14% in 2011 to 11% in 2015, and is expected to drop further to 7% in 2016. Activities, overseen by the MAEC. According to government estimates, they contributed €206 million to ODA in 2015. The autonomous regions and local administrations have their own bilateral programs. However, their share of ODA spending in Spanish development cooperation is declining: it went from 14% in 2011 to 11% in 2015, and is expected to drop further to 7% for 2016.

SPAIN'S DEVELOPMENT COOPERATION SYSTEM

