

## KEY QUESTIONS

### the big six

# 4



## How is the Spanish ODA budget structured?

### The Finance Ministry provides the largest share of ODA

Spain's 2017 draft ODA budget sets ODA at €2.5 billion (US\$2.7 billion) or 0.21% of GNI. A number of ministries provide ODA. The Ministry of Foreign Affairs and Cooperation (MAEC) used to be Spain's prime ODA provider, but its share has decreased to 26% in 2017, as cuts mainly affected MAEC's ODA budget. The Ministry of Finance and Public Function (MINHAFP) now manages the largest share of Spain's ODA (45% in 2017): it channels the country's mandatory contributions to the European Union (EU). The Ministry of Economy, Industry and Competitiveness (MINECO) (17% of ODA in 2017) manages contributions to international financial institutions, including the World Bank, and channelled debt relief. Its budget increased from €59 million in 2015 to €486 million in 2016, but decreased to €372 million in 2017.

MAEC's draft budget for 2017 stands at €559 million (US\$620 million). This budget envelope provides little information on funding channels, recipients and spending for specific sectors. MAEC's budget includes funding for the Spanish Agency for International Development Cooperation (AECID). AECID's budget focuses on funding for bilateral programs, civil society organizations (CSOs) and humanitarian assistance. About 36% of MAEC's budget (€199 million or US\$221 million) is channelled through FONPRODE. In the current budget, all FONPRODE funds must be disbursed as loans/equity investments through bilateral programs or earmarked loans managed by multilateral organizations, affecting Spain's multilateral contributions. While Spain used to channel its IFFIm contributions as well as to other multilaterals through FONPRODE, since 2013 these are included separately within the MFA's development budget due to the current FONPRODE 'loans-only' policy, as it is a way for Spain to limit the budgetary impact of its ODA.

Spain's regional governments and local administrations also provide ODA, mainly through CSOs and their own bilateral programs, although they can provide funding to multilateral institutions as well.

Overview: MAEC's 2017 draft budget

	millions €	millions US\$
<b>Ministry of Foreign Affairs and Cooperation</b>	<b>559</b>	<b>620</b>
<b>Ministry, Subsecretariat and general services</b>	<b>1.8</b>	<b>2</b>
<b>State Secretariat for the European Union</b>	<b>0</b>	<b>0</b>
<b>State Secretariat for international Cooperation and Ibero-America (SECIPI)</b>	<b>228</b>	<b>253</b>
FONPRODE	199	221
Water and Sanitation Fund	15	17
IFFIm	9	11
Development Cooperation Programme SECIPI (except FONPRODE, IFFIm)	5	5.2
<b>State Secretariat for Foreign Affairs</b>	<b>76</b>	<b>85</b>
<b>Spanish Agency for International Development Cooperation (AECID)</b>	<b>228</b>	<b>253</b>
<b>Instituto Cervantes</b>	<b>24</b>	<b>27</b>
<b>Ministry of Finance and Public Function</b>	<b>989</b>	<b>1,098</b>
Contributions to the European Union	989	1,098
<b>Ministry of Economy and Competitiveness (MINECO)</b>	<b>372</b>	<b>413</b>
International Financial Institutions	322	358
Debt relief	49	54
<b>Other</b>	<b>1</b>	<b>1.1</b>
<b>Other ministries</b>	<b>258</b>	<b>286</b>
<b>Autonomous and local cooperation</b>	<b>273</b>	<b>303</b>
<b>Total</b>	<b>2,451</b>	<b>2,720</b>

\* AECID may also provide some multilateral funds. However, these are not specified in AECID's budget. Due to rounding, numbers may not add up to the total.

Sources: Ayuda Oficial al Desarrollo de la Administración General del Estado.  
Propuesta Presupuestos Generales del Estado para 2016