OECD Development Co-operation Peer Reviews

SPAIN

2016

The Development Assistance Committee: Enabling effective development

OECD

OECD Development Co-operation Peer Reviews: Spain 2016

BETTER POLICIES FOR BETTER LIVES

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

Please cite this publication as:
OECD (2016), *OECD Development Co-operation Peer Reviews: Spain 2016*, OECD Development Co-operation Peer Reviews, OECD Publishing, Paris.
http://dx.doi.org/10.1787/9789264251175-en

ISBN 978-92-64-25116-8 (print)
ISBN 978-92-64-25117-5 (PDF)

Series: OECD Development Co-operation Peer Reviews
ISSN 2309-7124 (print)
ISSN 2309-7132 (online)

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Corrigenda to OECD publications may be found on line at: *www.oecd.org/about/publishing/corrigenda.htm*.

Conducting the peer review

The OECD Development Assistance Committee (DAC) conducts periodic reviews of the individual development co-operation efforts of DAC members. The policies and programmes of each member are critically examined approximately once every four or five years. Five members are examined annually. The OECD Development Co-operation Directorate provides analytical support, and develops and maintains, in close consultation with the Committee, the methodology and analytical framework – known as the Reference Guide – within which the peer reviews are undertaken.

The objectives of DAC peer reviews are to improve the quality and effectiveness of development co-operation policies and systems, and to promote good development partnerships for better impact on poverty reduction and sustainable development in developing countries. DAC peer reviews assess the performance of a given member, not just that of its development co-operation agency, and examine both policy and implementation. They take an integrated, system-wide perspective on the development co-operation and humanitarian assistance activities of the member under review.

The peer review is prepared by a team, consisting of representatives of the Secretariat working with officials from two DAC members who are designated as "examiners". The country under review provides a memorandum setting out the main developments in its policies and programmes. Then the Secretariat and the examiners visit the capital to interview officials, parliamentarians, as well as civil society and NGO representatives of the donor country to obtain a first-hand insight into current issues surrounding the development co-operation efforts of the member concerned. Field visits assess how members are implementing the major DAC policies, principles and concerns, and review operations in recipient countries, particularly with regard to poverty reduction, sustainability, gender equality and other aspects of participatory development, and local aid co-ordination. During the field visit, the team meets with representatives of the partner country's administration, parliamentarians, civil society and other development partners.

The Secretariat then prepares a draft report on the member's development co-operation which is the basis for the DAC review meeting at the OECD. At this meeting senior officials from the member under review respond to questions formulated by the Committee in association with the examiners.

This review contains the main findings and recommendations of the Development Assistance Committee and the report of the Secretariat. It was prepared with examiners from Germany and the United Kingdom for the peer review of Spain on 27 January 2016.

Table of contents

Table of contents

Tables

Figures

Boxes

Abbreviations and acronyms

AECID	Agencia Española de Cooperación Internacional para el Desarrollo (Spanish Agency for International Development Co-operation)
CESCE	Compañía Española de Seguros de Crédito a la Exportación (Spanish Export Credit Agency)
COFIDES	Compañía Española de Financiación del Desarrollo (Spanish Development Finance Company)
CSO	Civil society organisation
DAC	Development Assistance Committee
DGPOLDE	Directorate-General for Development Policy Planning and Evaluation
ECOWAS	Economic Community of West African States
FIIAPP	Fundación Internacional y para Iberoamérica de Administración y Políticas Públicas (International and Ibero-American Foundation for Administration and Public Policy)
FONPRODE	Fondo para la Promoción del Desarrollo (Development Promotion Fund)
GNI	Gross national income
IFRC	International Federation of the Cross and Red Crescent Societies
LDC	Least developed country
MAEC	Ministerio de Asuntos Exteriores y de Cooperación (Ministry of Foreign Affairs and Co- operation)
MINECO	Ministerio de Economía y Competitividad (Ministry of Economy and Competitiveness)
NGO	Non-governmental organisation
OCHA	Office for the Co-ordination of Humanitarian Affairs
ODA	Official development assistance
PCD	Policy coherence for development
RIOCC	Red Iberoamericana de Oficinas de Cambio Climático (Ibero-American Network of Climate Change Offices)
SECI	Secretaría de Estado de Cooperación Internacional (Secretariat of State for International Co-operation)
SECIPI	Secretaría de Estado de Cooperación Internacional y para Iberoamérica (Secretariat of State for International Co-operation and Ibero-America)
SGCID	Secretaría General de Cooperación Internacional para el Desarrollo (General Secretariat for International Development Co-operation)
SICA	Sistema de la Integración Centroamericana (Central American Integration System)
UNFPA	United Nations Population Fund

Abbreviations and acronyms

Signs used:

EUR	Euro
USD	United States dollars
( )	Secretariat estimate in whole or part
-	(Nil)
0.0	Negligible
..	Not available
…	Not available separately, but included in total
n.a.	Not applicable
p	Provisional

Slight discrepancies in totals are due to rounding.

Annual average exchange rate: 1 EUR = USD

2010	2011	2012	2013	2014
0.7550	0.7192	0.7780	0.7532	0.7537

Spain's aid at a glance

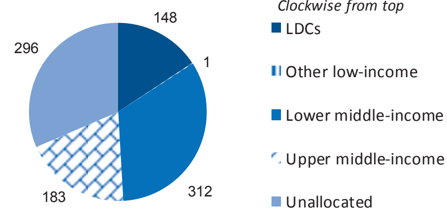
SPAIN

Gross Bilateral ODA, 2013-14 average, unless otherwise shown

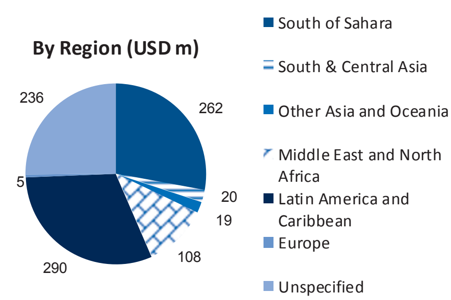
Net ODA	2013	2014	Change 2013/14
Current (USD m)	2 348	1 879	-20.0%
Constant (2013 USD m)	2 348	1 878	-20.0%
In Euro (million)	1 769	1 416	-19.9%
ODA/GNI	0.17%	0.13%	
Bilateral share	40%	25%	

Top Ten Recipients of Gross ODA (USD million)	
1 Côte d'Ivoire	118
2 Peru	41
3 Colombia	33
4 Morocco	33
5 El Salvador	28
6 Bolivia	23
7 Nicaragua	21
8 West Bank and Gaza Strip	19
9 Ecuador	18
10 Mali	17
Memo: Share of gross bilateral ODA	
Top 5 recipients	27%
Top 10 recipients	37%
Top 20 recipients	52%

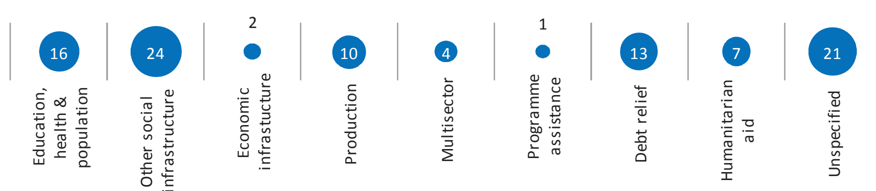
By Income Group (USD m)



By Region (USD m)

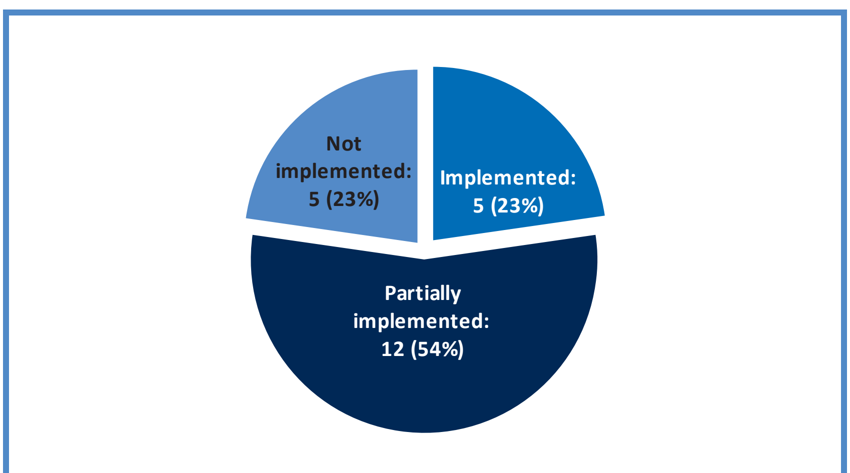


By Sector



Source: OECD - DAC ; www.oecd.org/dac/stats

Figure 0.1 Spain's implementation of 2011 peer review recommendations



Context of the peer review of Spain

Political and economic context

The centre-right People's Party won a landslide victory in the 2011 general election, ousting the Socialist Party from power. The two parties have dominated Spanish government and politics since the country's transition to democracy from the mid-1970s to the early 1980s. This picture is now changing. In elections in 13 of Spain's 17 regions in May 2015, two new parties – *Podemos* ("We can"), a far-left party, and *Ciudadanos* ("Citizens"), a centre party – made significant gains, including in the biggest cities of Madrid and Barcelona. The ruling People's Party gained just 27% of the vote, maintaining control of only four regions, down from 10 prior to the election.

At the time of writing, the general election that took place in December 2015 remains inconclusive. While Prime Minister Mariano Rajoy's People's Party emerged as the largest party overall, it obtained its worst result since 1989. The party's net loss of 63 seats and 16 percentage points also marked the largest loss of support for a sitting government since 1982. The Socialist Party obtained its worst result since the Spanish transition to democracy, losing 20 seats and nearly 7 points. Podemos ranked third, winning over 5 million votes, some 20% of the share, 69 seats and coming closely behind the Socialist Party. Cuidadanos enter parliament for the first time with 40 seats. Negotiations are on-going as to whether a coalition agreement to form a government between different parties can be reached or whether another general election will be necessary.

At the end of 2014, the population of Spain was 46.4 million, while its gross domestic product (GDP) per capita at purchasing power parity exchange rates was USD 33 720. Average trend GDP growth was 0.4% between 2011 and 2015.

The Spanish economy is gradually recovering from the severe impact of the banking and sovereign debt crisis. Real GDP is expected to grow by over 3% in 2015 and persist on a positive trend. However, challenges remain. Whilst Spain's fiscal position has improved, its stock of public debt has grown since 2007 and is expected to be 100.5% of GDP in 2015 and decline only very slowly thereafter. The country's budget deficit, too, is still high. Indeed, it is expected to account for 4.2% of GDP in 2015, above the 3% limit set by the European Union under the Stability and Growth Pact. Unemployment rose unabated from mid-2007 until the first quarter of 2013, peaking at 26.2% (seasonally adjusted). Strong employment growth has subsequently helped reduce the unemployment rate to 21.6% (seasonally adjusted) in the third quarter of 2015. However, this remains the second highest unemployment rate in the European Union, after Greece.

Spain's official development assistance was cut from USD 4 153 million in 2011 to USD 1 879 million in 2014, at current prices and exchange rates – a 55% decline.

The DAC's main findings and recommendations

1 Towards a comprehensive Spanish development effort

Indicator: The member has a broad, strategic approach to development and financing for development beyond aid. This is reflected in overall policies, co-ordination within its government system, and operations

Main findings

Spain has been actively involved in work to define an inclusive, universal 2030 Agenda for sustainable development with a strong emphasis on inequalities and a rights-based approach. It developed national positions for the key international conferences held in 2015 – on development finance and global goals – and facilitated global consultations on important development issues such as food security, nutrition and how to engage the private sector.

Spain contributes to and manages global public goods in its external and domestic policies and through multilateral channels and co-ordinated interventions. In Latin America, it supports regional organisations to mediate between global and national levels, increase ownership and pool efforts. It has also developed a strategy for extending middle-income countries' efforts in regional and global public goods.

Spain's commitment to global public goods shows in its finance- and environment-related domestic policies. Its legal framework, for example, supports the mainstreaming of environmental issues into economic policy, transparent financial transactions, and the fight against money laundering and terrorist activities.

More broadly, Spain's IV Master Plan promotes policy coherence for development as one of four tools to increase the overall effectiveness and quality of development co-operation. The new policy coherence unit in the Ministry of Foreign Affairs and Co-operation (MAEC) and two co-ordination bodies – the inter-ministerial network of focal points and the Policy Coherence for Development Commission of the Development Co-operation Council – have improved the flow of information between government departments and helped institutionalise the concept of co-ordinated, external action for development.

However, their mandate is focused on external action only, which prevents them from addressing the effects of domestic policies on global development. In addition, because they do not include ministers, they do not have the capacity to arbitrate between any competing interests. As a result, there is no proper analysis of policy or screening to identify priority issues. Spain will need to give the policy coherence and co-ordination bodies a mandate to address domestic policies, finalise the prioritisation of coherence issues, and revise the methodology for reporting to parliament if it wants to achieve policy coherence for sustainable development. To this end, the 2030 Agenda offers Spain an opportunity to mobilise political leadership.

As for development finance, Spain uses official development assistance (ODA) to leverage additional resources. Despite the lack of an explicit strategy, it makes use of some ODA to fight tax evasion, support tax systems and promote aid for trade. It draws on financial instruments, such as export co-financing and the provision of risk insurance, to leverage private Spanish involvement in developing countries. It has also developed new tools to engage the private sector in development co-operation. Tools include public private partnerships, an innovation fund and a development fund. Finally, to integrate the private sector more fully into the development co-operation system, Spain has recently set up a working group - which brings together representatives from ministries, the Spanish development co-operation agency (AECID) and civil society - as well as a business unit within AECID. The extent to which ODA is actually leveraged for development is however not monitored.

Spain will require a clear strategy and increased implementation capacity to engage the private sector effectively. As part of this strategy, Spain will need to invest further in co-ordinating its development-oriented financial instruments and to improve their reporting if they are to have a positive impact on partner countries.

Recommendations

1.1. To ensure development concerns are taken into account in both domestic and foreign policies, Spain should select priority issues, and analyse, monitor and report the effect of their related policies on developing countries.

1.2. In line with its commitment to mobilising additional resources for development, Spain should develop a strategy and design suitable instruments for engaging the private sector.

1.3. Spain should improve how it co-ordinates financial instruments and reports to the Development Assistance Committee (DAC) and the public on all official flows for development.

2 Spain's vision and policies for development co-operation

Indicator: Clear political directives, policies and strategies shape the member's development co-operation and are in line with international commitments and guidance

Main findings

The IV Master Plan maintains Spain's long-standing emphasis on the principles of fairness and solidarity in development co-operation, and on the objectives of poverty reduction and human development. In line with its international commitments, Spain's policy statements give importance to the quality of Spanish co-operation, which includes the more strategic use of new and existing instruments.

Spain is clear that its focus will remain middle-income countries. Such a stance, of course, curbs Spain's support to the least developed countries and fragile states. Where it does operate, however, Spain demonstrates a strong commitment to working with partners to reduce poverty and inequality and build social cohesion. Spain is also committed to the mainstreaming of gender equality, the empowerment of vulnerable groups, and culture-based interventions.

In other ways, however, the Master Plan ushers in significant changes in Spanish policy. Its eight strategic guidelines have prompted a potentially innovative shift from sector- to results-based orientations. Spain has also drastically reduced the number of partner countries and multilateral organisations it supports and transformed the nature of its relationships with them.

In certain middle-income Latin American countries, for example, Spain has entered into "new generation agreements", incorporating new approaches and instruments. It recognises the need to work differently in those contexts and works intensively on the institutional, knowledge-related and capacity bottlenecks that prevent further progress.

The policy directions in the IV Master Plan were full of good intentions. In practice, however, realising them – in both the bilateral and multilateral spheres – has been challenging, partly due to the deep cuts in the ODA budget over this period.

Spain has reduced the number of focus countries and territories from 50 to 23. Although it has been transparent with its wide-ranging criteria for selecting countries, it is not clear how it gathered evidence or used it in the final decision-making process.

It is also difficult to see how Spain has operationalised its strategic guidelines. Despite being outcome-oriented, they give neither Spain's partners nor the public a clear statement of how Spain adds value. Nor do they offer staff clear guidance as to the priorities to advance.

There is room to improve mechanisms for effectively mainstreaming gender equality and the environment into field operations. The guidance currently being produced should support that effort, and will need to be matched with effective awareness-raising and capacity-building for all staff. Spain should also ensure that senior officials are accountable for making progress on cross-cutting issues.

Spain's support for the multilateral system is a prominent part of its ODA. Spain has remained a committed and engaged multilateral partner. Furthermore, it used the IV Master Plan to introduce the principles behind its multilateral engagement and to focus its support on fewer organisations.

However, it is unclear how it chose the organisations it continues to support – it developed assessment criteria only after making these decisions. In addition, although Spain has cut the number of organisations it supports, the number of government departments providing multilateral funding remains very high relative to other DAC member countries. Spain has neither the mechanisms nor resources to co-ordinate multilateral support across government. Finally, legal and administrative impediments are reported both in framework agreement negotiations with selected multilateral partners and in the timeliness of disbursements.

Recommendations

Spain's next strategic plan should:

2.1. Re-assert Spain's political commitment to effective, poverty-focused development co-operation in line with international commitments and the 2030 Agenda.

2.2. Clarify Spain's thematic focus through analysis of its comparative advantage, and provide relevant guidance to operationalise priorities.

2.3. Improve the coherence and consistency of its support for the multilateral system, Spain should reduce the number of government departments providing multilateral assistance, within the Ministry of Foreign Affairs and Co-operation and beyond, and better co-ordinate support between them.

3 Allocating Spain's official development assistance

Indicator: The member's international and national commitments drive aid volume and allocations

Main findings

After almost three-fold growth in Spain's ODA between 2000 and 2009, the financial crisis induced a major reversal with a cut of 68% between 2010 and 2014.

The 2014 ODA spend was USD 1 879 million, or 0.13% of gross national income. That was well short of its 0.7% international commitment and the total DAC ratio of 0.29%. The ratio had not been that low since 1988, before Spain joined the DAC. At 0.03% of GNI in 2013, total ODA to the least developed countries was also well below the UN target of 0.15%.

Spain has publicly announced its commitment to reversing the decline in ODA as its economy recovers. That commitment has already translated into projected increases in the 2015 and 2016 ODA budgets, although the reliability of the estimates is affected when Spain fails to spend its full allocations, as was the case in 2014. When and how Spain is going to raise its ambition further to meet the more distant 0.7% target remains unclear.

With such deep cuts in the budget, Spain has had to make some difficult choices as to how to allocate its dwindling resources. In general terms, the bilateral programme, which includes non-core funding allocated through the multilateral system, has taken the hardest hit – down from 69% of total ODA in 2009 to 33% in 2014.

Latin America and sub-Saharan Africa have consistently received most of Spain's support. However, within those focus regions, it could concentrate its bilateral ODA further. While the 2014 share of resources allocated to its 23 priority countries and territories met the target set in the IV Master Plan, Spain also provides support to a high number of recipient countries, in addition to its 23 priority partners. They include many countries where Spain is amongst the smallest donor – contrary to its commitment to focus more for greater impact.

Spain's country programmable aid is also relatively lower than that of its peers, at 36% of bilateral ODA. Of this support, project-based interventions remain Spain's chief *modus operandi*, while technical assistance and contributions to pooled programmes and funds claim only a low share. These proportions would appear to run counter to the IV Master Plan's commitment to increasing the use of programmatic aid. Finally, administrative costs form a high and rising share of the bilateral budget. Spain should be able to control future growth in such costs by making further efficiencies in organisation and management.

When it comes to predictability, Spain's Country Partnership Frameworks contain expenditure plans for proposed interventions in a particular country over four years. However, Spain prepares its budget on an annual basis so in practice the expenditure plan is indicative not firm.

Core funding to multilateral organisations accounts for a substantial share of Spain's development co-operation – 67% of its gross ODA in 2014 compared to the total DAC share of 27%. Spain is the eighth-largest DAC multilateral provider in relative terms and the twelfth in volume with USD 1.4 billion in 2013. Core contributions now make up the lion's share of multilateral funding at 94%, of which 72% goes to the EU institutions. Encouragingly, non-core funding was previously very high but has come down significantly.

Spain reduced the number of organisations it supports from 85 in 2011 to 69 in 2014. However, some of the multilateral organisations that Spain has prioritised through its Strategic Partnership Agreements have seen a drastic reduction in funding, especially in core resources. Spain will need to continue to rationalise its multilateral portfolio, which will involve increasing allocations to its key partners of choice.

Recommendations

3.1. As its economy continues to recover, Spain should set out a clear path towards meeting its commitment to increasing ODA to 0.7% of GNI, and its commitment to the least developed countries and countries most in need.

3.2. To improve its focus, Spain should concentrate more of its ODA resources on its top recipients – i) its priority countries and territories, which includes increasing country programmable allocations in those countries and territories, and ii) its key strategic multilateral partners.

4 Managing Spain's development co-operation

Indicator: The member's approach to how it organises and manages its development co-operation is fit for purpose

Main findings

Spain has openly recognised, and tried to address, structural weaknesses in its development co-operation institutional system. Reforms have had the effect of improving, albeit slightly, whole-of-government co-ordination. Staff numbers in the ministry and agency have remained steady, despite cuts in ODA. Indeed, the cuts have been viewed as an opportunity to reform the system in potentially innovative ways. One example is the transformation of some country offices into regional and thematic hubs.

MAEC is the lead institution in the development co-operation system, even though its share of the budget is declining. The Secretary General for International Development Co-operation took leadership responsibility for AECID in 2013, with the expectation that this would bring benefits in terms of accountability and co-ordination between MAEC and AECID. In practice, though, it is not clear that these benefits were realised. In addition, the management contract for AECID was not updated, as committed, to reflect institutional developments.

Furthermore, subsequent to the review mission to Madrid, the repeal of the Law of State Agencies in October 2015 requires all State Agencies to cease to exist by October 2016. MAEC will then have three years to redesign the institutional framework for development co-operation. This is a clear opportunity for Spain to reform the system in line with the policy priorities of the Master Plan to be developed in 2016 and based on the findings of this and other reviews of Spanish co-operation.

Spanish development co-operation also involves several other ministries, and other regional and local government bodies, that manage ODA resources – resulting in co-ordination challenges.

A number of structures continue to serve the function of consultation and information exchange amongst government and non-government stakeholders. However, they have mostly been unable to exert sufficient or timely influence on MAEC policy and decision making. They should undergo review to ensure that they are mandated to work towards and drive whole-of-government approaches and policy coherence.

The intention of making Country Partnership Frameworks whole-of-country strategies, supported by in-country co-ordination mechanisms, is positive. The Ambassador of Spain in each country leads co-ordination efforts by, for example, chairing the permanent co-ordination groups that oversee Spanish development co-operation actors in partner countries and territories. However, there is evidence that, outside AECID, decentralised co-operation actors and NGOs that receive government grants make little use of the frameworks as planning instruments and are not systematically included in co-ordination groups.

As for human resources, recommendations from the 2011 peer review remain valid. A human resources strategy and medium-term plan that focus on staff skills and location, and systems for transparent performance management, would improve Spain's capacity to deliver a quality programme. Staff motivation, for the majority of staff, including locally employed staff, has been affected by the lack of mobility and career prospects.

Recommendations

4.1. In contemplating institutional arrangements as a result of the 2015 legal changes, Spain should define clear governing principles and mandates for all institutions involved in Spanish development co-operation.

4.2. Spain should review and refine the mandates of its whole-of-country co-ordinating bodies – at headquarters and in partner countries and territories – so that they contribute more effectively to policy and programming.

4.3. Spain should develop a medium-term human resources strategy in conjunction with its next master plan. The strategy should address:

i) the skills and specialisms required to meet policy and operational objectives at headquarters and country offices;

ii) the rotation and promotion of staff at all levels in the interests of organisational learning and staff motivation;

iii) the deployment of locally employed staff for programme tasks to make better use of their knowledge and skills.

5 Spain's development co-operation delivery and partnerships

Indicator: The member's approach to how it delivers its programme leads to quality assistance in partner countries, maximising the impact of its support, as defined in Busan

Main findings

Spain clearly applies the principles of aid effectiveness. The Country Partnership Frameworks (CPFs) are developed in-country, in close consultation with partners, and are aligned with the planning cycles of Spain's partner countries and territories. CPFs include a four-year indicative budget which, together with flexibility in budgeting and programming in countries and in headquarters, helps Spain to be more predictable and responsive to the needs of its partners. This capacity to adapt to the specific needs of a country also helps Spain develop and implement programmes in fragile contexts in a pragmatic manner – without requiring specific approaches or tools.

Spain is committed to using country systems, but still has some scope to improve: the low percentages of aid on budget and aid that uses public financial management and procurement systems – respectively 57% and 48% in 2013 – fall short of the 85% and 57% agreed targets for 2015. The 2013 guidance for designing CPFs encouraged more intensive use of country systems, though sometimes at the expense of timely disbursements. In such circumstances, Spain demonstrates its commitment to using country systems by going beyond project implementation and providing hands-on support to partners to help them overcome bottlenecks.

Spain's engagement in delegated co-operation and silent partnerships contributes to donor harmonisation and reduces the burden on partners. However, it has reduced its overall participation in pooled programmes and funds, including in fragile contexts.

To keep on delivering quality and relevant co-operation in an evolving context, Spain is changing the nature of its relationships with some developing countries. It is increasingly focusing on capacity building and uses instruments such as triangular co-operation, knowledge exchange and research.

Building on its strong commitment to effective aid, Spain can further improve how it delivers its programme and make sure that all its instruments, including loans provided through the development fund (FONPRODE), abide by the Busan principles.

Spain can improve programme management and budgeting for better results. Its low levels of execution – 69% of funds disbursed as scheduled in 2013 – do not affect predictability alone, but results too. In addition, in the absence of standard procedures, risk analysis does not inform programme design or control mechanisms. The consequence is weaker capacity to achieve results in a timely manner and less transparency over how it takes and manages risks.

CPFs signed, monitored and evaluated jointly with partner countries and territories have improved mutual accountability. A stronger focus on results, and the monitoring of results indicators developed in CPFs, could help Spain take a step further towards applying all dimensions of accountability, including results.

Spain needs to make further efforts to use CPFs as a whole-of-government strategy in fragile contexts in order to leverage all its policy and programming tools and secure better results in such contexts.

Partnerships with other actors should be revisited to improve their impact. While it is positive that the government has revived dialogue with NGOs, agreement on the new strategy needs to be completed without delay to prevent the erosion of trust. With regard to the financing of NGOs, screening processes, funding mechanisms, and other accountability measures carry high transaction costs. Including the indicators developed in partner countries and territories in reporting requirements would increase NGOs' and AECID's capacity to learn from experience and, at the same time, remain accountable for financial transactions. Engagement with the private sector would benefit from an articulated strategy and well-tailored instruments.

Recommendations

5.1. Spain should develop guidance and procedures for risk analysis and risk management to improve programme delivery.

5.2. Spain should – while including results reporting – simplify its reporting requirements for NGOs to reduce transaction costs and strike a balance between accountability and learning.

6 Results and accountability of Spain's development co-operation

Indicator: The member plans and manages for results, learning, transparency and accountability

Main findings

Spain is developing a promising approach in planning for results. Each Country Partnership Framework includes the development results to which Spain aims to contribute. It also includes operational and results indicators, targets and baselines that draw on country results frameworks and national statistics. AECID is starting to build a results culture across the agency by creating a network on the effectiveness and quality of aid. It is also in the process of integrating its monitoring systems, with a focus on development results, at corporate, country and intervention levels.

At the moment, the absence of such an integrated results monitoring mechanism affects strategic oversight and transparency: results indicators are not monitored and therefore not used for decision making. Accelerating the move towards managing for results will require a mature results culture, the right tools and adequate monitoring.

The strengthened evaluation function is another example of Spain's attention to results. A new policy was approved in 2013. Under this policy, biennial evaluation plans covering all Spanish co-operation are published, a network of focal points and methodological tools have been set-up to facilitate operational evaluations, and key policy documents – such as the Master Plan and the Country Performance Frameworks – are being evaluated. In addition, findings are disseminated widely via the "Cooperación Española" website, through the publication of short summaries of each evaluation, seminars and public presentations.

There is a risk however that the independence of the evaluation function could be compromised. The unit in charge of evaluation depends on the Secretary General for International Development Co-operation to approve the biennial evaluation plans and the budget for each evaluation, as it has neither a dedicated budget nor external scrutiny of evaluation plans or findings. The use of evaluation findings could also be improved through systematic follow-up of the internal improvement plans included in the newly launched management responses.

Experiences with thematic, sectoral and regional networks, online collaborative platforms and training centres have been successful in sharing knowledge within the agency. The newly established regional and thematic hubs should also bring knowledge closer to the end user. However, AECID has taken little action to promote the creation of new knowledge, such as applied research and development-oriented scholarships.

Efforts to increase transparency have paid off with a jump from the 47th spot in the Aid Transparency Index in 2013 to 21st in 2014. Two Web portals give the general public and experts access to information. Parliamentary scrutiny, too, has increased. For example, the Secretary General presents evaluation plans, annual communication and evaluation reports, and international positions to Congress. Spain has also improved communication by presenting Spanish development co-operation as a single brand, "Cooperación Española", and adjusting its approach to its different audiences.

There is however scope for further progress in both transparency and communication by providing more up-to-date data, detailed information at project level and, once the relevant monitoring mechanisms are in place, by communicating results and risks.

Finally, partnerships with civil society organisations in education for development need to be revived, as the agenda has lost momentum and misunderstanding between partners is increasing. Indeed, civil society organisations fear that education for development is used to promote Spanish development co-operation instead of global citizenship.

Recommendations

6.1. To accelerate the shift towards results-based decision making, Spain should develop appropriate tools to monitor and analyse results.

6.2. Spain should guarantee the independence of the central unit for evaluation by giving it authority to plan and budget strategic evaluations.

6.3. To ensure learning, Spain should systematically follow up on management responses to evaluations and make sure their findings inform decision making.

6.4. To sustain strong public support for development, Spain should develop an actionable plan for development education.

7 Spain's humanitarian assistance

Indicator: The member contributes to minimising impact of shocks and crises; and saves lives, alleviates suffering and maintains human dignity in crisis and disaster settings

Main findings

Spain's humanitarian budget has suffered from sudden, significant cuts over the last four years. They have forced it to reduce the scope of its programme. As a result, it has had to think hard about where it can best add value with its limited humanitarian funds. It has settled on four key sectors and nine protracted crises (down from 44). Partners are also carefully screened for their ability to deliver. The result is a more strategic approach that is concentrated on a small number of crises, with clear funding criteria. Spain has ensured that its partners understand its new funding criteria. This is good practice.

Spain complements its humanitarian programmes with active efforts in international humanitarian diplomacy, e.g. through its role as pen-holder for the Syria crisis in the United Nations Security Council. Its efforts are highly appreciated by partners and other DAC members. Spain is also involved in active outreach with other donors – both in the field, and at EU and global levels – to co-ordinate both operational and advocacy interventions.

Spain has close working relationships across government on major new humanitarian emergencies (mostly sudden-onset disasters) and useful financial and structural incentives, such as joint funding. The aim is to foster more coherent work between AECID and the autonomous communities and across the various civil protection assets. The team in Madrid is seen as knowledgeable, which facilitates good relations with the political arm of the Ministry of Foreign Affairs.

Spain has a good range of mechanisms for rapid response to new and escalating crises. The 2011 peer review asked Spain to seek training and accreditation for all rapid-response actors in the government response system. As a result, two search and rescue teams now have international accreditation. Reducing Spain's bilateral footprint in active conflict situations has also reduced its exposure to risk – another 2011 peer review recommendation. Spain could now work on removing the disincentives that deter Spanish health personnel from responding to health emergencies.

AECID has a comprehensive proactive approach to communicating its humanitarian programme and humanitarian issues. Other donors could learn from its example.

A broad field presence also helps to support partners, manage risk and monitor day-to-day operations. However, there are no arrangements in place to enable a coherent "team Spain" approach to responding to ongoing humanitarian crises in the field. This shortcoming could

hinder coherent Spanish policy, advocacy and operations in difficult operating environments.

The funding model for protracted crises often involves tight earmarking, which reduces the flexibility of partners' responses to evolving situations. Funding can be multiannual, though, which increases predictability.

Limited resources due to budget cuts have hindered holistic programming, such as resilience building and recovery components. In response, Spain could make more efforts to focus its development programmes on crisis drivers, perhaps by systematically including them in their Country Partnership Frameworks.

In addition, the humanitarian budget – at only 4% of ODA – is unnecessarily low, especially given the strong public support for humanitarian responses. Spain could allocate greater resources to the key area of humanitarian aid.

One main challenge, also identified in the 2011 peer review, remains: the excessive administrative burden on Spain's NGO partners. It limits their ability to deliver quality assistance. Spain is aware of the issue. It plans to simplify its complicated grant procedures and to address such related issues as multiple audits for all NGO grants. Spain is encouraged to resolve those issues speedily.

Recommendation

7.1 To ensure that partners are able to respond in a timely way and focus on delivering quality results, Spain needs to simplify its grant procedures for humanitarian NGOs. As recommended for development NGOs, Spain should also adjust its reporting requirements.

Secretariat's report

Chapter 1: Towards a comprehensive Spanish development effort

Global development issues

Spain provides global public goods through multilateral channels and co-ordinated interventions with other partners. It advocates for the active engagement of middle-income countries in the provision and management of such goods, particularly by supporting regional integration and renewed country partnerships. Spain has also been actively involved in work to define the 2030 Agenda for Sustainable Development.

Spain supports renewed partnerships for global public goods

Spain is committed to providing and managing global public goods, as it states in its national position paper on the Post-2015 Development Agenda (MAEC/SGCID, 2015a) and in its fourth master plan for development co-operation, known as the IV Master Plan 2013-2016 (MAEC, 2013). This commitment is one of the eight strategic orientations in the IV Master Plan (Chapter 2) and gives priority to the environment, global health, peace and security, as well as to cultural diversity and international economic and financial stability.

Spain calls for the well co-ordinated provision and management of global public goods by global governance bodies. To that end, it has also developed a strategy, which includes an agenda on global public goods, for engaging middle-income countries. Its approach stresses the importance of regional structures mediating between global and national levels, supporting ownership and participation, and helping countries to pool their efforts and capabilities. In Latin America, Spain is using its position and resources to support such regional integration (Box 1.1) and steer development assistance towards co-operative, horizontal relationships by forging new generation agreements with middle-income countries (Chapter 2).

Finally, Spain is actively engaged in the 2030 Agenda for Sustainable Development and the modernisation of official development assistance (ODA). It has developed national positions for the international conferences of 2015, in which it has firmly called for the reduction of inequalities and a rights-based approach to development. It has also facilitated global consultations on issues such as food security, nutrition and the private sector in development, and helped define the sustainable development goals. Other areas in which Spain has been active include the debate on loan concessionality and the definition of the new statistical method of measuring total support for sustainable development.

Box 1.1 Supporting regional integration and global public goods in Central America

Spain supports the Central American Integration System (SICA). With a budget of USD 24.9 million for the period 2010-13, the Spain-SICA Fund seeks to consolidate SICA as an effective forum for designing and implementing policies that foster sustainable human development and reduce poverty. The fund particularly aims to strengthen: (i) institution building, including by introducing the notion of risk in public infrastructure management; (ii) democratic security, including by supporting the co-ordination of humanitarian interventions in response to emergencies, threats and natural disasters; and (iii) economic integration.

Spain also supports two regional projects related to the environment – the Ibero-American Network of Climate Change Offices (RIOCC) and the Regional Gateway for Technology Transfer and Climate Change Action in Latin America and the Caribbean (REGATTA). The aim of the RIOCC network is to keep a permanent dialogue flowing between Latin American countries, to better understand the region's climate change priorities and challenges, and to promote the sharing of information and experience.

The REGATTA project, implemented by the United Nations Environment Programme, aims to strengthen capacity and to share knowledge on technologies and experiences in climate-change adaptation and mitigation in Latin America and the Caribbean. REGATTA has been designed and developed in accordance with international negotiations conducted as part of the United Nations Framework Convention on Climate Change (UNFCCC).

Sources: Red2Red Consultores (2015), *Evaluación de Programas del Fondo España-SICA (2010-2013) - Informe Final*, www.lariocc.es, www.cambioclimatico-regatta.org

Policy coherence for development

Indicator: Domestic policies support or do not harm developing countries

The IV Master Plan reaffirms Spain's commitment to policy coherence for development (PCD). However, the co-ordination mechanisms address Spain's external action, rather than how domestic policies may affect development. The specialised PCD unit does not have a clear mandate to analyse non-development policies or to encourage others to do so. As a consequence, the biennial report to parliament is more descriptive than analytical, and there is no clear system either for screening policies that could adversely affect developing countries or for identifying priority issues. Enhanced analytical capacity in the unit for PCD as well as a better methodology for preparing the biennial report, including the use of indicators, are needed.

Spain is committed to policy coherence for development, but has not yet defined priorities

As a member of the OECD and the European Union (EU), Spain has endorsed international commitments on policy coherence for development. It reaffirms them in the IV Master Plan which identifies policy coherence as a tool for increasing the effectiveness and quality of development co-operation.[1] These commitments are also reflected at a more practical level, policy coherence for development being an element in the analysis required to draw up the Country Partnership Frameworks – the Spanish strategy for engaging in each country and signed with its partner.

Spain's efforts focus more, however, on developing co-ordinated external action than on addressing how domestic policies could affect its partners – as reflected in the biennial report on PCD to parliament and the methodology on designing Country Partnership Frameworks.

Despite a plan of action to put into effect policy coherence for development principles – as set out in the IV Master Plan – Spain has not yet identified priorities or drawn up a time-bound plan to address them. The Secretary-General for Development Co-operation (SGCID) is still identifying priorities drawing from the five global challenges identified by the European Union[2], the IV Master Plan and the Sustainable Development Goals.

Co-ordination mechanisms do not address domestic policies

Spain has put in place three commissions to facilitate co-ordination between ministries, autonomous entities and non-governmental actors (Chapter 4).[3] The SGCID chairs all three. Two have a mandate for addressing policy coherence – the PCD Commission of the Development Co-operation Council and the former Inter-Ministerial Commission of Co-operation.[4] However, they have only limited ability to address domestic policies harmful or supportive towards developing countries.

The PCD Commission of the Development Co-operation Council – a consultative body made up of representatives from civil society and central government departments[5] – reports on compliance with the principle of coherence in the co-operation activities undertaken by central government. The commission's ability to influence policy is limited, however, partly because some of the consultations in which it participates take place only after the government has made its policy decisions.

The Inter-Ministerial Commission of Co-operation has been superseded by a network of focal points bringing together Directors General from across ministries. The network, which collects and disseminates information on policy coherence in relevant ministries, has improved the flow of information between existing bodies. It does not, however, have a clear mandate to discuss or influence domestic policies. Nor does it have much ability to arbitrate, as it does not include any ministers.

The network of focal points and the Development Co-operation Council's PCD Commission boast some successes, which could be built upon. Both – though especially the network of focal points – have helped institutionalise the concept of co-ordinated external policy for development.[6] They have also contributed positively to developing a coherent whole-of-government position on key international agendas in 2015. For example, the network of focal points helped identify and overcome ministerial differences of opinion on tax policy, conducted technical discussions and, with the support of the Development Co-operation Council, came up with a common Spanish position for the Financing For Development Conference in Addis Ababa in 2015.

The 2030 Agenda for Sustainable Development will afford an opportunity for further progress, though it will require political leadership, a strategic plan with clear priorities and a strengthened mandate to enhance coherence across ministries and address more systematically any potentially negative effects of domestic policies on development.

There is room to improve analysis of policy coherence and depth of reporting to parliament

In accordance with the 2011 DAC peer review's recommendation that Spain should strengthen its capacity to analyse the coherence of its policies (OECD, 2013), it formed a unit to that effect within the SGCID. This PCD unit co-ordinates the network of focal points and provides expertise in managing and analysing coherence for development within the government. The unit can also draw on the expertise of the Development Co-operation Council and the findings from analyses conducted with partner governments when drafting the Country Partnership Frameworks. Together with the network of focal points, it prepares a biennial report for the Development Co-operation Council and parliament with input from the PCD Commission.

However, all that work is undermined by the lack of a system which clearly screens policies that could impact developing countries and identifies priority issues. The PCD unit does not have a clear mandate for analysing non-development policies or encouraging others to do so. As a consequence, the biennial report's methodology is more descriptive than analytical and unable to inform policy decisions. Collaboration with the OECD's PCD unit to update the methodology and develop progress indicators should help Spain design proper analytical tools and strengthen its monitoring and reporting systems.

Spain has adjusted its finance and environmental regulations, but there is scope to resolve further inconsistencies

Spain's commitment to global public goods shows in its domestic and international policies related to finance and the environment. It has, for example, been an active participant and leader in extractive industry transparency initiatives.[7] It scores above average in the Financial Secrecy Index for its regulations promoting transparent financial transactions within its jurisdiction.[8] According to the Financial Action Task Force (FATF), Spain has a strong system for combating money laundering and terrorist financing, with up-to-date legislation and sound institutions (FATF, 2014). Its political risk insurance agency provides wide coverage and screens projects for any possible infringement of human, labour or environmental rights.

In addition to impressive progress in its domestic environmental performance, Spain's recent policies to spur economic recovery aim to better mainstream environmental issues into economic policy, even though there is scope for further integration (OECD, 2015c). Spain has also significantly strengthened its legal framework with, for example, a comprehensive biodiversity law that is amongst the most ambitious in the OECD. Spanish industry leads the way in environmental management systems and has been very active in eco-labelling and corporate social responsibility reporting. Spanish development co-operation is using this experience to raise awareness of private sector responsibilities in developing countries.

Nevertheless, there is still scope for greater consistency in other policy areas, as evidenced by Spain's ranking in the Centre for Global Development's Commitment to Development Index,[9] which places it 12th out of 26 countries and highlights incoherence in trade and security policies. Tariffs on rice, sugar, vegetables, fruits, nuts and beef are high, as are agricultural subsidies, as for other European Union member countries, while import formalities are costly. In addition, Spain makes relatively small contributions to humanitarian interventions, and exports arms to poor, undemocratic countries (Wezeman, 2015).[10]

Financing for development

Indicator: The member engages in development finance in addition to ODA

Spain does not have an overall strategy for promoting ODA as a catalyst for drawing additional resources. However, it is starting to develop instruments for leveraging domestic and private resources in partner countries and territories – albeit with no clear effect on private resources yet. Spain is not currently co-ordinating non-ODA financial instruments with ODA interventions, and is only partially reporting on non-ODA flows.

Spain has no formal strategy to use ODA as a catalyst for mobilising additional sources of finance

To make future Spanish development assistance fit for purpose, the IV Master Plan stresses the importance of mobilising additional resources for development. To that end it prioritises the mobilisation and leverage of national private and public resources and calls for innovative sourcing of funds. Yet, apart from a passing mention in the Spanish Co-operation Sectoral Strategy on Economic Growth and the Promotion of Entrepreneurship (MAEC/SECI, 2011), no other policy document raises the question of the private sector's role in development financing.

Despite the lack of an explicit policy, in practice Spain does use ODA to mobilise other resources for sustainable development (OECD, 2015b):

- It promotes aid for trade to improve developing countries' trade performance and help them become an integral part of the global economy. It committed 21%[11] of its sector-allocable ODA to trade-related activities in 2013.
- It supports tax systems and fights tax evasion, with the Ministry of Treasury and Public Administration playing an active part. In 2014, it disbursed USD 1.3 million, chiefly for technical training and automatic tax information exchange programmes.
- It supports the implementation of financial mechanisms to mitigate climate change in accordance with the objectives of the Green Climate Fund[12] – to which it has pledged USD 160 million. Spain also trains partner countries and territories in using this fund.
- It uses two funds to leverage partner funding. Spain's contribution to the Sustainable Development Goals Fund – which must be at least matched by contribution from its counterparts – amounted to 44% of the fund, the remaining 56% being financed by recipient countries. The Fund for Co-operation on Water and Sanitation leverages local resources – 38% of the fund is financed locally - as well as funds from the European Commission and financial institutions.

As recommended in the 2011 peer review (OECD, 2013), Spain has taken the first steps in its commitment to engaging the private sector in development co-operation. It has created an inclusive working group on the socio-economic fabric[13] and a business and development unit[14] within the International Development Co-operation Agency (AECID). Spain has developed instruments such as public-private partnerships (PPPs)[15] and an innovation fund open to the private sector (Chapter 4). It has also put in place the Development Promotion Fund (FONPRODE).[16] The effects of those efforts are not yet clear, as Spain lacks a clearly articulated strategy and capacity for implementation. This was reflected in El Salvador where a private sector lens was absent from the development co-operation programme (Annex C). The added value of FONPRODE also seems questionable (Chapter 5).

Spain does not co-ordinate official financial instruments with ODA interventions, nor evaluate their impact on development

Spain has three other financial instruments for leveraging private investments, none of which are co-ordinated with ODA interventions. While the Corporate Internationalisation Fund (FIEM) – managed by the Ministry of Economy and Competitiveness (MINECO) – does not have development objectives, it co-finances a significant share of Spanish companies' exports to and investment in developing countries. The Spanish Development Finance Company (COFIDES) on the other hand has a mixed mandate to support both development and national exporters. The Spanish Export Credit Agency (CESCE) insures Spanish companies against political risk in their infrastructure investment projects abroad, including in developing countries. There is, however, no arrangement for co-ordinating the work of these three agencies with traditional ODA interventions nor for evaluating their impact on the development of partner countries and territories.

Spain reports only partially on non-ODA flows

Spain does report on non-ODA flows but only partially. Foreign direct investment – USD 5 739 million in 2013 – and parts of other official flows account for the bulk of reporting. Under other official flows, Spain reports a number of grant activities that do not qualify as ODA – e.g. Spanish cultural events in developing countries (USD 14 million in 2013) and transactions with multilateral agencies at market terms (USD 126 million in 2013).[17]

Spain does not report funds from COFIDES to the OECD's credit reporting system (CRS) despite its mixed mandate, nor funds from its export credit agency's (CESCE) operations in developing countries. The Ministry of Foreign Affairs and Co-operation (MAEC) is working with COFIDES to clarify what it should report to the Development Assistance Committee (DAC). It is also active in refining the methodology for reporting on amounts of private finance mobilised by official development finance interventions.

Notes

1. The IV Master Plan states four principles driving the implementation of the development effectiveness agenda: implement the agenda with pragmatism, promote better policy coherence for development, improve the quality and co-ordination of humanitarian assistance, and foster a strategic use of modalities and instruments to improve aid impact.

2. The five challenges are: food security, trade and tax evasion, immigration, security and climate change.

3. The Inter-ministerial Commission of Co-operation, the Inter-territorial Commission of Co-operation and the Development Co-operation Council.

4. The Inter-territorial Commission brings together the heads of development co-operation offices in autonomous communities and cities and representatives of the national association of local and provincial authorities to review policies and current affairs in the field of development co-operation. Policy coherence for development is not part of its mandate.

5. Members of the PCD Commission represent MAEC, AECID, other ministries (Economy and Competitiveness; Defence; Employment and Social Security; Health, Social Services and Equality; and Agriculture, Food and Environment), labour unions, the Spanish Confederation of Business Organisations, NGOs, and universities and academics.

6. Awareness should increase once a training course for civil servants is up and running.

7. Initiatives include the Extractive Industries Transparency Initiative (EITI) and the Kimberley Process on Blood Diamonds. With regard to EITI, Spain is one of the 15 governments part of the multi-donor trust fund managed by the World Bank. Its contribution accounts for 7% of all contributions by donor countries, making it the 5th largest donor after Australia, the United States, Canada, and the United Kingdom.

8. To view how Spain ranks internationally in financial secrecy and how it is assessed in the Financial Secrecy Index, go to www.financialsecrecyindex.com/introduction/fsi-2013-results.

9. Each year, the Commitment to Development Index ranks "wealthy governments on how well they are living up to their potential to help poor countries". The index scores seven policy areas that affect the well-being of others: aid, trade, finance, migration, environment, security, and technology. More information is available at www.cgdev.org/initiative/commitment-development-index/index.

10. Spain is the world's seventh-largest arms exporter.

11. The 21% share translates into USD 96 million – a 7% increase in real terms from 2012, the first increase in real terms since 2010.

12. The Green Climate Fund is a global initiative established by 194 governments within the framework of the United Nations Framework Convention on Climate Change (UNFCCC). It was founded as a mechanism to assist developing countries in adaptation and mitigation practices to counter climate change. It plays a key role in channelling resources to developing countries and catalysing climate finance at the international and national levels.

13. The *grupo de trabajo de tejido socioeconómico* (the socioeconomic working group) includes MAEC, other relevant ministries, AECID, business associations, trade unions and civil society representatives. Its task is to make recommendations to the government on how to improve the integration of the private sector into the development co-operation system.

14. The unit in AECID is made up of three people. In addition, in MAEC, two people are in charge of the private sector and devote around 30% of their time to private sector issues.

15. For example, a partnership has been signed between an infrastructure firm ACCIONA Microenergía, the government of Oaxaca (Mexico), the Mexican Agency for International Development Co-operation (AMEXCID) and AECID. The aim is to provide basic access to electricity through small residential photovoltaic systems for people living in areas of less than 100 inhabitants, where electrification is not provided by the Mexican federal authorities.

16. FONPRODE (Fondo para la Promoción del Desarrollo) was launched in 2011, replacing the previous Development Aid Fund (a tied aid instrument) and the Microcredit Fund. It provides loans and is managed by the Secretariat for International Co-operation and Ibero-America (SECIPI) and AECID, with the support of the COFIDES. FONPRODE's finances both public and private entities, doing so either directly or through local financial institutions.

17. Such transactions are "the transactions of the private non-bank and bank sector in bonds, debentures, etc., issued by multilateral institutions", according to the OECD Glossary of Key Terms and Concepts. This definition comes under the heading "Private Flows", which supplies definitions of other non-ODA private investment flows.

Bibliography

Government sources

MAEC (2013), *Master Plan of the Spanish Co-operation 2013-2016*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SECI/DGPOLDE (2011), *Estrategia de Crecimiento Económico y Promoción del Tejido Empresarial* (Strategy for Economic Growth and for Promoting the Business Sector), Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2015a), *Compromiso Universal por un Desarrollo Humano y Sostenible: Posición Española para la Agenda Post-2015 (Universal Commitment for Sustainable Human Development: Spain's position for the Post-2015 Agenda)*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2015b), "Memorandum of Spain for the 2015 Peer Review", Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2015c), "Plan Director de la Cooperación Española 2013-2016", Comunicación 2015 al Parlamento y al Consejo de Cooperación ("Spanish Development Co-operation Master Plan 2013-2016", 2015 Communication to the Parliament and to the Co-operation Council), Madrid.

MAEC/SGCID (2014), *Evaluación Intermedia de la Alianza Público-Privada para el Desarrollo en Acobamba (Perú) – Informe Completo* (Mid-term Evaluation of the Public-Private Partnership for Development in Acobamba (Peru) – Full Report), MAEC, Madrid.

MAEC/SGCID (2013), *Informe de Coherencia de Políticas para el Desarrollo – Período 2011-2012 (Policy Coherence for Development Report for the 2011-2012 Period)*, Ministry of Foreign Affairs and Co-operation, Madrid.

MESS (2014), *Estrategia 2014-2020 para empresas, administraciones públicas y el resto de organizaciones para avanzar hacia una sociedad y una economía más competitiva, productiva, sostenible e integradora* (Strategy 2014-2020 for business, public administrations and other organisations to advance towards more competitive, productive, sustainable and inclusive society and economy), Ministry of Employment and Social Security, Madrid.

Other sources

Alderson, K. (ed.) (2014), *Extractive Industries Transparency Initiative – Multi-Donor Trust Fund (EITI MDTF) Annual Report 2014*, World Bank Group, Washington, DC, http://documents.worldbank.org/curated/en/2014/12/23038624.

FATF (2014), *Anti-money Laundering and Counter-terrorist Financing Measures – Spain,* Fourth Round Mutual Evaluation Report, Financial Action Task Force, www.fatf-gafi.org/topics/mutualevaluations/documents/mer-spain-2014.html.

Miyamoto, K. and K. Biousse (2014), "Official Support for Private Sector Participation in Developing Country Infrastructure", *OECD Development Co-operation Working Papers*, No. 19, OECD Publishing. DOI : http://dx.doi.org/10.1787/5jz14cd40nf0-en.

OECD (2015a), *Better Policies for Development 2015: Policy Coherence and Green Growth*, OECD Publishing, Paris, DOI: http://dx.doi.org/10.1787/9789264236813-en.

OECD (2015b), *Development Co-operation Report 2015: Making Partnerships Effective Coalitions for Action*, OECD Publishing, Paris, DOI: http://dx.doi.org/10.1787/dcr-2015-en.

OECD (2015c), *OECD Environmental Performance Reviews: Spain 2015*, OECD Publishing, http://dx.doi.org/10.1787/9789264226883-en.

OECD (2013), *OECD Development Assistance Peer Reviews: Spain 2011*, OECD Publishing, Paris, DOI: http://dx.doi.org/10.1787/9789264117129-en.

Red2Red Consultores (2015), *Evaluación de programas del Fondo España-SICA (2010-2013) – Informe final*, (Evaluation of Spain-SICA Fund Programmes – Final Report), MAEC/SGCID, Madrid.

Wezeman, P. D. and S.T. Wezeman (2015), “Trends in International Arms Transfers, 2014”, *SIPRI Fact Sheet*, Stockholm International Peace Research Institute, Stockholm, March.

Chapter 2: Spain's vision and policies for development co-operation

Policies, strategies and commitments

Indicator: A clear policy vision and solid strategies guide the programme

Spain's fourth Master Plan gives Spanish development co-operation purpose. Spain has a clear commitment to improving focus and effectiveness in the context of a declining ODA budget. However, its policies and strategies have not been fully successful in guiding all aspects of the programme.

Spain has set out strategic orientations and new priorities for development co-operation

The IV Master Plan 2013-2016, states that the goal of Spanish co-operation is to contribute to human development, to poverty reduction and to the full enjoyment of human rights. It emphasises fairness and solidarity as the principles that continue to drive the Spanish approach to development co-operation (MAEC, 2013a).

The IV Master Plan reinforces Spain's commitment to middle income countries. Spain is focusing on geographic areas of the greatest strategic interest and clear added value related to historical, cultural and language ties – Latin America, the Middle East and North Africa, and sub-Saharan Africa. At the same time, through its policy, and acting on the 2011 DAC peer review (OECD, 2013), Spain recognises the need to concentrate both bilateral and multilateral portfolios. There is also a strong regional focus to development co-operation, with support for such institutions as the Central American Integration System (Chapter 1) and regional programmes.[1]

The IV Master Plan establishes eight strategic guidelines (Box 2.1) intended to mark a shift from sector- to results-based prioritisation and planning. From a policy perspective this was an ambitious and potentially innovative move designed to deliver greater flexibility, cross-sectoral co-operation and a focus on high-level outcomes. The guidelines are complemented with lines of action and sectoral policies (MAEC, 2013a).

Box 2.1 Spanish Co-operation Guidelines – IV Master Plan, 2013-2016

1. Consolidate democratic processes and the rule of law.
2. Reduce inequalities and vulnerability to extreme poverty and crises.
3. Promote economic opportunities for the poorest populations.
4. Foster systems of social cohesion, focusing on basic social services.
5. Promote women's rights and gender equality.
6. Improve the provision of global and regional public goods.
7. Provide a quality response to humanitarian crises.
8. Build a global citizenship committed to development.

Source: MAEC, 2013a.

Consistent throughout Spain's policies, strategies and commitments is the priority given to improving the effectiveness of aid in line with international commitments. This includes, *inter alia*, the intention to deliver a more strategic use of modalities and instruments to improve aid impact (MAEC, 2013a).

Spain has, however, faced challenges in putting its strategic intention into practice, as the rest of this chapter describes.

Decision making

Indicator: The rationale for allocating aid and other resources is clear and evidence-based

Spain has sought to concentrate its development resources on fewer countries and territories and organisations, to change the nature of its relationships and funding arrangements with them, and to better align multilateral with bilateral priorities. There have been obstacles to implementing that vision. In bilateral assistance, partner country selection criteria do not yield a clear rationale for decision making and the strategic guidelines do not readily translate into focus. As for multilateral policy, coherence and focus is compromised by the number of actors involved, poor co-ordination and administrative challenges.

Spain is reducing and transitioning its bilateral footprint. Focus, however, remains a challenge

The IV Master Plan committed Spain to reducing the number of priority partner countries and territories from 50 to 23. It spelled out criteria which,[2] whilst incorporating poverty, were wide-ranging enough to enable Spain to pursue its strategic interests. It is not clear how Spain collected evidence against these criteria, nor how they were weighted to inform the selection process.

The focus on 23 partner countries and territories has involved closing a number of offices and turning others into thematic and regional hubs (Chapter 4). It has also seen Spain forming new partnerships[3] through "new-generation agreements" with a number of middle-income countries not in the partner country list. Spain will continue to engage in those countries through a more horizontal approach to development co-operation. It will focus on contributing to regional and global public goods and use instruments like triangular co-operation, knowledge exchange, and research and development. It is too early to assess the impact and relevance of the new agreements, but changing relationships to meet evolving context and need is a promising approach.

Altogether there has, therefore, been a significant transformation in Spain's bilateral programme over the last three years. This comes with challenges – Spain's exits from some countries, for example, have been criticised for lacking transparent timelines, an inclusive process or structured procedure (Proeval, 2015).

In terms of thematic priorities, the orientations of the Master Plan are intended to translate in to bilateral programming that is spelled out in the Country Partnership Frameworks. The methodology for these frameworks was revised in 2013 and includes a recommendation to focus country programmes on achieving a maximum of three development results linked to the strategic guidelines (MAEC, 2013b).

In practice, however, as evidenced in El Salvador, Spain's development co-operation remains broad and scattered over several sectors. The Mid-Term Review of the Master Plan also notes that the "weak correlation between prominence of strategic orientation in planning and ODA assigned, shows there may be confusion in how to incorporate strategic orientations into current co-operation sectors due to the lack of guidance and specificity of orientations" (Proeval, 2015).

Furthermore, with its bilateral programme now accounting for only 25% of net ODA, Spain will need to continue to consider the comparative thematic and geographic advantages that it yields. It should also look into whether it is striking the right balance between bilateral and multilateral allocations ahead of the next development co-operation master plan.

Spain's multilateral effort is guided by a strategy and set of principles

Multilateral support has always been an important component of Spanish development co-operation. That is clear from the relative volume of ODA channelled to and through international organisations and in the importance that Spain accords it in its strategic documents.

Although Spain has not formally updated its multilateral strategy since 2009 (MAEC, 2009),[4] it has made efforts to improve the focus and effectiveness of its multilateral approach. In that regard, the IV Master Plan introduces four principles for multilateral co-operation:

- a focus on multilateral bodies that are seen to contribute more clearly to Spanish development goals
- improved effectiveness
- mutual accountability
- greater participation of Spain in decision making processes.

The Master Plan also underlines the importance of learning from experience and collective performance assessment processes, such as the Multilateral Organisation Performance Assessment Network (MOPAN), in which Spain actively participates (MAEC, 2013a).

Feedback from multilateral organisations collected in the course of this review suggests that Spain has remained committed to and engaged in the multilateral system, including through governance mechanisms, despite the ODA cuts that have affected funding. Indeed, the UN praised Spain for its part in launching the Millennium Development Goal (MDG) Achievement Fund. Although this fund failed to attract support from other donors, Spain is now working with UNDP to turn the fund into a contribution towards implementation of the Sustainable Development Goals.[5]

Spain's multilateral support continues to face strategic and operational challenges

An evaluation of Spanish multilateral assistance in 2011 concluded that it had "not been sufficiently underpinned by a common strategic vision or ideas, nor by the necessary structural and organisational efforts which must be an indispensable basis on which to take decided steps forward in this regard" (MAEC/SGCID, 2012). Spain has not yet addressed all those shortcomings.

First, it is not, for example, clear what evidence it gathers and uses to make funding decisions – including those taken to reduce the number of organisations Spain funds from 85 in 2011 to 69 in 2014 (MAEC/SGCID, 2015a). The Ministry of Foreign Affairs and Co-operation only began developing and using prioritisation criteria[6] in 2015 (MAEC, 2015) – long after it cut back on the number of organisations it was supporting.

Second, the criteria apply only to UN agencies and regional institutions, not to the international financial institutions (IFIs). An entirely separate review of IFIs is currently examining the way funds are allocated. This is symptomatic of the challenge of co-ordinating strategies, positions in governance structures, and funding decisions across government. There appears to be little consultation between multilateral assistance providers, despite the number of actors involved. Between 2009 and 2013, for example, ten institutions provided core funding to multilateral organisations, with the Ministry of Public Administration accounting for the largest share at 47%. Fifteen government departments and agencies provided earmarked funding – the highest number of all DAC members (OECD, 2015) – with the Ministry of Foreign Affairs and Co-operation (MAEC) accounting for the largest share at 54%.

Third, the multi-annual, results-based approach of Strategic Partnership Frameworks was designed to improve the strategic nature of Spanish multilateral contributions to UNDP, UNICEF, UN Women and UNFPA. The frameworks incorporate elements related to management, evaluation and accountability, and contain a matrix that identifies common priorities. In fact, though, with funding to all four UN organisations being cut (Chapter 3), it is not clear what added value the frameworks bring, other than stating the intention of granting these organisations priority status. Moreover, the UN organisations report legal issues in the negotiation of the frameworks and problems with the timeliness of disbursements.

Finally, given that multilateral support accounts for such a large share of ODA - and that MAEC must facilitate co-ordination between AECID, SGCID, and several other government institutions - staffing levels in the multilateral department seem low. This holds risks for the overall impact and coherence of Spain's multilateral portfolio.

Policy focus

Indicator: Fighting poverty, especially in LDCs and fragile states, is prioritised

Spain prioritises middle-income countries over the least developed and most fragile countries. Yet it has clear policy commitments to tackling inequality and building social cohesion in all contexts. It is also committed to the mainstreaming of gender equality, the empowerment of vulnerable groups and culture-based interventions. Capacity building and knowledge transfer have become central to Spain's new relationships with middle-income countries.

Spain has a strong poverty component in its guidelines, but does not focus on the least developed countries

Spanish policy statements have a poverty focus. How it implements that focus should be judged by its choice of partner countries and territories and its priorities within those countries and territories.

Levels of human development and poverty are among the criteria Spain uses to select its development co-operation partner countries and territories. With the IV Master Plan's explicit focus on middle-income countries, however, it is no surprise that ODA to the least developed countries (LDCs) is well below Spain's international commitments (Chapter 3). Fragility and conflict are not factors that determine choice of partner countries and territories, although one criterion in the master plan refers to "signs of fragility". Of Spain's 23 priority partner countries and territories, eight are LDCs and six fragile states.

Spain's strategic guidelines have a clear focus on promoting social cohesion, and reducing poverty and inequality (Box 2.1). This poverty focus is being applied to programmes in both middle income and the least developed countries – evidenced by the two-thirds of development results in Country Partnership Frameworks that meet the four strategic guidelines where those goals are foremost (MAEC/SGCID, 2015b). Spain also includes poverty criteria in other instruments, e.g. the Fund for Water and Sanitation for Latin America, which concentrates on the rural and peri-urban communities where poverty is most prevalent.

Spain believes it has an important role to play in contributing to narrowing inequalities, including those that are generated by the social exclusion of minority groups or are based on gender and which often underlie the persistence of poverty in middle-income countries. At the same time, Spain recognises the need to work differently in those contexts and intensively address the institutional, knowledge-related and capacity bottlenecks that prevent further progress.

Spain's development co-operation with El Salvador - a lower-middle-income country – for example, appears to be well tailored. It has a consistent focus on promoting social inclusion and reducing poverty. Its cultural interventions, which target vulnerable groups, are innovative and offer a broad range of cultural and social tools to engage local stakeholders in efforts to reduce tension, build trust and foster integration (Annex C). To complement this targeted approach, Spain works with the government to help it strengthen its institutions, reform legislation and public policies, and promote regional integration.

Failure always to include crisis drivers in country strategies is a missed opportunity

The seventh guideline of the IV Master Plan is to deliver quality responses to humanitarian crises (Box 2.1). Encouragingly, Spain interprets this from both a humanitarian and a development point of view – humanitarians reaching out to development colleagues and vice versa. Spain is also working on its approach to building resilience, through partners and the European Union, for example, and concentrating mostly on environmental issues.

One opportunity that Spain has missed, however, is always to incorporate humanitarian issues – potential crisis drivers – into Country Partnership Frameworks (Chapter 7). The failure to do so limits chances of development and humanitarian programmes working together in the same crisis settings.

No specific approach for fragile contexts, but that does not affect the quality of programmes

Spain does not have a separate strategy for fragile states, preferring instead to abide by the Fragile States Principles[7], and take context as the starting point for planning and implementing programmes. As Spain's standard approach to programming is pragmatic and flexible, the lack of a dedicated strategy does not impinge on the quality of interventions in its fragile state partner countries and territories; Spain understands the context in these places well, often having a relationship going back decades, for example in Mali, Mauritania and Ethiopia. (Chapter 5).

Policy commitments to cross-cutting issues are strong but could be better operationalised and championed

Cross-cutting issues are clearly prioritised in policy documents like the IV Master Plan, particularly in relation to gender equality, the environment, diversity and, more broadly, a human rights-based approach. Importantly, methodologies and guidelines for Country Partnership Frameworks, aid instruments and evaluation also incorporate them. AECID is finalising guidelines for mainstreaming gender equality and the environment, with training modules to follow.

However, evidence from a synthesis of Country Partnership Framework evaluations (MAEC/ SGCID, 2015c), as well as from the review team's field visit to El Salvador, suggests that – despite the healthy allocations noted by DAC markers (Chapter 3) – there is room for improvement if gender equality and the environment are to be effectively mainstreamed into operations on the ground (OECD, 2014). It is also not clear who is accountable, or how, for results in these policy spheres – or, indeed, to what results operational units are required to contribute.

Gender equality is a long-held priority

Spain considers gender equality to be an emblem of its development co-operation policy (MAEC/SGCID, 2015a). Indeed, Spain has demonstrated real leadership in the funding of women's civil society organisations and UN programmes and funds with a gender focus. But the cuts to its ODA budget have reduced the human and financial resources for gender equality interventions. Even so, Spain continues in its commitment to funding difficult issues such as sexual and reproductive health and rights, an area that has drawn little funding from other DAC members (OECD, 2014).

In El Salvador, Spain gives gender equality a strong profile through dialogue, programming and the creation of strategic partnerships.

Skills and guidance lacking on the environment

The IV Master Plan is the first to include environment as a global public good, to mainstream climate change, and to highlight how the climate change and development agendas complement each other (MAEC/SGCID, 2015a). In practice, however, more effective mainstreaming in partner countries like El Salvador will need better equipped staff with the right skills and guidance.

Notes

1. The Masar Programme in the Middle East and North Africa region, for example, was launched in 2012 to support democratic government. It drew on the leadership of local institutions and applied a demand-driven approach. For further detail go to [www.aecid.es/ES/dónde-co-operamos/norte-de-áfrica-y-oriente-próximo/programa-masar.](www.aecid.es/ES/dónde-co-operamos/norte-de-áfrica-y-oriente-próximo/programa-masar) Another example is the APIA Programme for Inclusive Public Policies in sub-Saharan Africa which, since late 2014, has backed local efforts to ensure that economic growth contributes to cohesive, fairer societies. For further details, go to www.aecid.es/EN/where-we-co-operate/sub-saharan-africa/apia-programme.

2. Spain selects its development co-operation's partner countries on the strength of the following criteria set out in the Master Plan (MAEC, 2015):
   - degree of human development in the partner country
   - potential impact of Spanish development co-operation in the partner country.

   Other factors in selection are:
   - relevance to existing regional programmes or to the prospect of a regional programme
   - the withdrawal of other donors.

   Maintaining an active programme in a country undergoing conflict may be recommended if development co-operation has long been committed to that country e.g. Colombia.

3. Spanish country partners and field office structure as of March 2015:

Region	Partners	Number of country offices closed	"New-generation" partners	Regional hubs	Thematic offices
Latin America and the Caribbean	**12** Bolivia, Colombia, Cuba, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Paraguay, Peru and Dominican Republic	**4** Argentina, Brazil, Venezuela and Chile	**5** Argentina, Brazil, Chile, Mexico and Uruguay	**1** Montevideo	**3** Panama (UN hub and regional humanitarian logistics centre); Costa Rica (climate change); and Abuja (support to ECOWAS)
North Africa and the Middle East	**4** Mauritania, Morocco, Palestinian Authority and Western Sahara	**4** Algeria, Iraq, Afghanistan, Tunisia		**1** Cairo	**1** Jordan (Syrian and Iraqi-crises)
Sub-Saharan Africa	**6** Mali, Niger and Senegal, Ethiopia, Equatorial Guinea and Mozambique	**3** Democratic Republic of the Congo, Angola and Namibia	**1** Cabo Verde		
Asia	**1** Philippines	**3** Cambodia, Timor-Leste, Viet Nam			
TOTAL	**23**	**14**	**6**	**2**	**4**

4. Spain's Multilateral Development Co-operation Strategy was published in 2009 with three goals (MAEC, 2009):

- Strengthen the multilateral system to make it a fairer, more democratic and effective mechanism for generating and distributing development opportunities.
- Increase Spain's international commitments through more active and effective involvement in the multilateral system and greater, more balanced support for its agencies.
- Strengthen democratic governance instruments on an international scale to address the challenges of globalisation.

5. The MDG Fund was established in 2007 by an agreement between the government of Spain and UNDP. With a total contribution of approximately USD 900 million, the MDG Fund supported 130 joint programmes in eight thematic areas in 50 countries. The Fund also supported global partnerships, thematic knowledge management initiatives and the Delivering as One initiative globally. Continuing that support, the government of Spain and UNDP introduced in March 2014 a new Sustainable Development Goals Fund, open to other partners and donors. It works through integrated, multi-dimensional joint programmes at country level. It currently co-finances 18 joint programmes based on the lessons from the MDG Fund. There are three thematic areas: inclusive economic growth for poverty eradication, food security and nutrition, and water and sanitation (www.sdgfund.org).

6. Spain's prioritisation criteria for multilateral support: strategic priorities aligned with IV Master Plan; an already strategic relationship; an organisation's quality, efficiency and effectiveness; and, whether it complements Spain's bilateral programme.

7. For the ten Fragile States Principles, go to www.oecd.org/dacfragilestates/.

Bibliography

Government sources

MAEC/SGCID (2015a), "Memorandum of Spain for the 2016 Peer Review", Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2015b), "Plan Director de la Cooperación Española 2013-2016", Comunicación 2015 al Parlamento y al Consejo de Cooperación ("Spanish Development Co-operation Master Plan 2013-2016", 2015 Communication to the Parliament and to the Co-operation Council), Madrid.

MAEC/SGCID (2015c), *Síntesis: Evaluaciones de Marcos de Asociación País* (Synthesis: Evaluation of Country Partnership Frameworks), Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/ SGCID (2012), *Evaluación de la Cooperación para el desarrollo española en el ámbito multilateral 2009-2011* (Evaluation of Spanish multilateral development co-operation 2009-2011), Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/ SGCID (2009), *Estrategia Multilateral de la Cooperación Española para el Desarrollo* (Spanish multilateral development co-operation strategy), Ministry of Foreign Affairs and Co-operation, Madrid

MAEC (2015), *Document on Multilateral Priorities* (unpublished).

MAEC (2013a), *Master Plan of the Spanish Co-operation 2013-2016*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC (2013b), *Manual para el Establecimiento, Seguimiento y Evaluación de Marcos de Asociación País – Metodología* (Handbook for the Creation, Monitoring and Evaluation of Country Partnership Frameworks – Methodology), MAEC, Madrid.

Other sources

OECD (2015), *Multilateral Aid 2015: Better Partnerships for a Post-2015 World*, OECD Publishing, Paris, DOI: http://dx.doi.org/10.1787/9789264235212-en.

OECD (2014), *Mainstreaming Cross-Cutting Issues: 7 Lessons from DAC Peer Reviews*, OECD Publishing, Paris, DOI: http://dx.doi.org/10.1787/9789264205147-en.

OECD (2012), *OECD Development Assistance Peer Reviews: Spain 2011*, OECD Publishing, Paris. DOI: http://dx.doi.org/10.1787/9789264117129-en.

Proeval (2015), *IV Plan Director de la Cooperación Española – Examen Intermedio* (IV Master Plan of the Spanish Co-operation – Mid-Term Review), MAEC/SGCID, Madrid.

Chapter 3: Allocating Spain's official development assistance

Overall ODA volume

Indicator: The member makes every effort to meet ODA domestic and international targets

Spain's overall ODA volume has suffered a dramatic decline. At 0.13% of gross national income, it is at its lowest since 1988. Spain has committed to reversing the decline as its economy recovers – there is evidence that it is living up to that commitment in recent budget statements. The multilateral channel claims the lion's share of ODA, with the bilateral channel bearing the brunt of cuts and ODA to the least developed countries at low levels. Spain needs to improve its ODA execution rate and reporting practices.

Deep ODA cuts leave Spain far short of international targets

Spain cut ODA by 68% between 2010 and 2014 as a result of the financial crisis, after five years of steady growth between 2003 and 2008 (Figure 3.1).

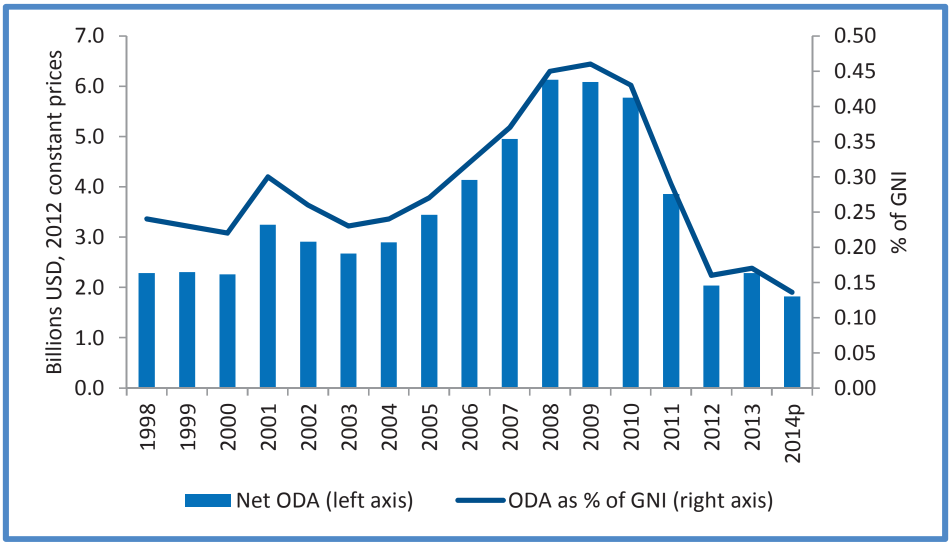
Spain's ODA was USD 1 879 million in 2014 (at current prices). That was down from USD 2 348 million in 2013 and 20% lower in real terms due mainly to a spike in 2013 as a result of debt relief. ODA's share of gross national income (GNI) in 2014 was 0.13%, compared to the total DAC 0.29%, and Spain's lowest since 1988, before it joined the DAC. It peaked in 2009 at 0.46% ODA/GNI (Figure 3.1).

In August 2015, an all-party Senate resolution pledged Spain to "meet the commitments to progressively increase ODA budget allocations as the economic indicators improve and relocate Spain in a more prominent position on development co-operation according to its international relevance".[1] If Spain were to fully execute its ODA budget figures for 2015 and 2016 – EUR 1 753 million and 2 396 million respectively – it would put a welcome halt to the decline in ODA volumes. The ODA to GNI ratio is also projected to increase to 0.21% in 2016 (MAEC, 2015).

Linking an increase in ODA to the continued recovery in the Spanish economy is a positive move, in the wake of a period of severe disruption to Spanish development co-operation. However, Spain stops short of specific triggers for bringing ODA up to the international target of 0.7% ODA/GNI, to which it remains committed.

Future growth in ODA should also help Spain meet its commitments to the least developed countries (LDCs) and countries most in need. At 0.03% of GNI in 2013, total ODA to LDCs was well below the UN target of 0.15% of GNI.

Figure 3.1 Net ODA trend in volume and as a share of GNI, 1998-2014



Source: (2015), Net ODA: Trends in volume and as a share of GNI, 1998-2014, Spain, in *Development Co-operation Report 2015*, OECD Publishing, Paris, http://dx.doi.org/10.1787/dcr-2015-graph265-en.

Spain is not spending to budget

In 2014, Spain did not execute the full ODA budget allocation approved by parliament – preliminary figures reported for that year point to a 20% under-spend. The reasons given were higher than expected loan repayments, expected debt operations not being signed and the low execution rate from the Development Promotion Fund (FONPRODE) (Chapter 5). The shortfall in the ODA budget execution for the reasons given suggests Spain could forecast and plan for different scenarios more accurately. It should also regularly monitor its performance in each financial year.

In the context of ODA cuts, the use of the multilateral channel continues to far exceed use of the bilateral

The share of gross bilateral ODA declined steadily between 2010 and 2014, from 69% to 33%, with a pronounced shift away from bilateral expenditure through multilateral organisations (multi-bi assistance). The total DAC share of bilateral ODA was 73% in 2013.

The remaining 67% of Spain's gross ODA is channelled through core multilateral allocations. That figure is well above the IV Master Plan's target of at least 55% of ODA going through international organisations (MAEC, 2013). The trend looks set to continue with, for example, the planned increase in the 2016 ODA budget attributed largely to core multilateral contributions to i) the EU (compulsory) and ii) to the World Bank's International Development Association to meet unpaid commitments.

Three ministries disbursed 87% of total ODA in 2013:

- Ministry of Foreign Affairs and Co-operation: 28% of ODA – 30% multilateral, 70% bilateral and multi-bi. Spain's 2016 budget projects a rise to 34%.
- Ministry of the Treasury and Public Administration Services: 44% ODA, almost exclusively multilateral. Spain's 2016 budget projects a decline to 43%.

Ministry of Economic Affairs and Competitiveness: 15% ODA, of which 56% is multilateral and 44% bilateral and multi-bi. Spain's 2016 budget projects a rise to 22%.

Spain's autonomous communities allocated 7.77% of the country's net ODA in 2013, and local authorities a further 2.62% – predominantly in bilateral resources. The figures point to a significantly lower share of ODA than in the 2011 DAC peer review, which reported a 10% allocation for the regions and autonomous communities and 3% for local authorities in 2009. Those percentages are shares of a much larger volume of total resources (OECD, 2013).

Forward looking information is limited

Spain's statistical reporting on ODA has been affected by the budgetary situation. It can report to the Forward Spending Survey only up to the current calendar year (OECD, 2014). In addition, over the last two years, Spain has been the only DAC member unable to supply figures on preliminary country programmable aid (CPA) for the previous year – attributable to significant volatility in ODA volumes. As Spain moves to stronger budget predictability, it is important that it meets reporting requirements in a timely manner.

Country Partnership Frameworks offer a resource expenditure plan for proposed interventions. However, the plan is merely indicative, as Spain prepares its budget only on an annual basis. Four-year indicative resource planning is a forecast based on previous knowledge and an analysis of probable future expenditure. As the El Salvador example shows, this lack of formalised commitments can compromise Spain's predictability (Chapter 5).

Bilateral ODA allocations

Indicator: Aid is allocated according to the statement of intent and international commitments

Spain allocates as much ODA to Africa as it does to Latin America, yet its allocations to the least developed countries is declining. It has further to go in concentrating its dwindling bilateral resources on its priority countries and territories, and top recipients. Sector allocations are largely consistent with Spain's stated priorities, yet country programmable aid is low and administrative costs are high.

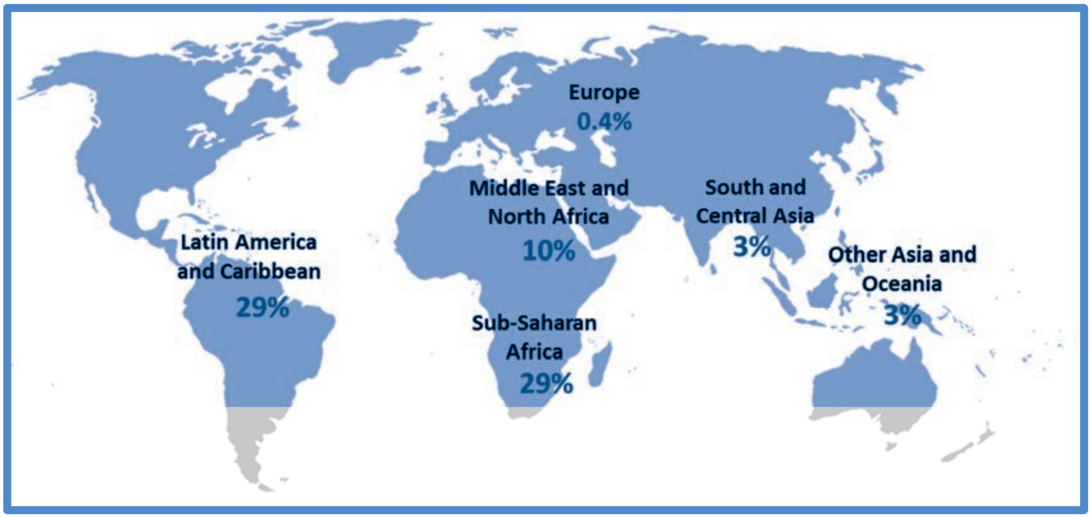
Spanish aid to Africa is increasing, along with the focus on Latin America – but not to the least developed countries

The IV Master Plan commits to reducing the number of priority partner countries and territories from 50 to 23 between 2012 and 2016. Spain's focus regions were to be Latin America, the Middle East and North Africa, and sub-Saharan Africa (MAEC, 2013). A debt relief operation in Côte d'Ivoire in 2013 contributed to unusual sub-Saharan Africa allocation trends in 2013, but bilateral allocable ODA in 2014 was distributed in large part to the priority regions (Figure 3.2 and, for a longer-term perspective on Spain's bilateral allocable ODA by region and income group, Annex B).

Bilateral ODA to LDCs declined from 25% in 2012 to 15% in 2013, compared to the DAC average of 31%. Total bilateral allocable ODA to LDCs fell from 39% in 2012 to 31% in 2014, while allocations to lower middle-income countries climbed from 36% in 2012 to 41% in 2014 and to upper middle-income countries from 24% in 2012 to 28% in 2014.

Figure 3.2 Share of bilateral ODA by region, 2012-13 average

Gross disbursements



Note: 25% of allocated ODA was unspecified by region in 2012-13. The map does not depict that share.

Source: OECD (2015), Net ODA: Share of bilateral ODA by region, 2012-13 average, gross disbursements, Spain, in *Development Co-operation Report 2015*, OECD Publishing, Paris, http://dx.doi.org/10.1787/dcr-2015-graph269-en.

The bilateral programme is becoming more concentrated, but remains fragmented

The IV Master Plan targets over 75% of geographically allocated gross bilateral ODA on Spain's 23 priority countries and territories by 2016. Spain will meet this target. However, only seven of Spain's top ten ODA recipients in 2013 were priority partner countries and territories, while the total number of recipients is still high at 120.

Annex B provides more detailed statistics on how Spain fares in concentrating its bilateral ODA compared to other DAC members. Its development assistance was more narrowly concentrated in 2013-14 than in 2008-12, but still fell below the DAC average. For example:

- 27% of Spain's bilateral ODA was allocated to the top 5 recipients, compared to the DAC average of 36%
- 37% to the top 10, compared to the DAC average of 50%
- 46% to the top 15, compared to the DAC average of 57%
- 52% to the top 20 recipients, compared to the DAC average of 61%.

Data on sector-allocable country programmable aid (CPA) shows that, in 2013, of 55 partner countries and territories Spain was in the top 90% of donors in 15 countries, but amongst the bottom 10% in 40 (OECD, 2014). These figures run contrary to the statement in the country selection criteria that "if Spanish co-operation is among the main group of donors, chances that its action will have an impact are higher" (MAEC, 2013).

Taken together, the figures above suggest that Spain's ODA remains fragmented – also the conclusion of the Master Plan Mid-Term Review (Proeval, 2015).

Sectoral allocations are consistent with the broad priorities set out in the Master Plan

In 2013-14, Spain allocated 43% – or USD 369 million – of its bilateral ODA to social infrastructure and services. There was a firm focus on support to government and civil society (USD 90 million), water and sanitation (USD 71 million), and education (USD 56 million). USD 244 million went to debt relief and USD 58 million to agriculture (accounted as ODA to production sectors).

The biggest sectoral shift in the last five years has been a reduction in economic infrastructure and services. It accounted for 10% of bilateral allocable assistance in 2008-12, but just 2% in 2013-14 (Annex B). The trends in sector-allocable support appear largely consistent with the lines of action set out in the Master Plan, insofar as they can be translated into sectoral and thematic priorities (Chapter 2).

In 2013, USD 186 million of bilateral ODA supported gender equality. Forty-two per cent of Spain's bilateral sector-allocable aid had gender equality and women's empowerment as a principal or significant objective. Although that share was down from 54% in 2012, it was well above the DAC average of 31%. A high share of Spain's aid to population and reproductive health, and education focuses on gender.[2]

USD 215 million of Spain's bilateral ODA supported the environment in 2013. While there was a significant drop in bilateral ODA for the environment in volume terms between 2010-11 and 2012-13 (a consequence of the fall in total ODA), it did not decline so steeply as a share of total bilateral ODA. In 2013, 23% of Spanish bilateral aid supported the environment, with 18% particularly targeting climate change (Figure 3.3).[3] The DAC country averages were, respectively, 23% and 16%.[4]

Spain's country programmable and programme-based aid is well below average

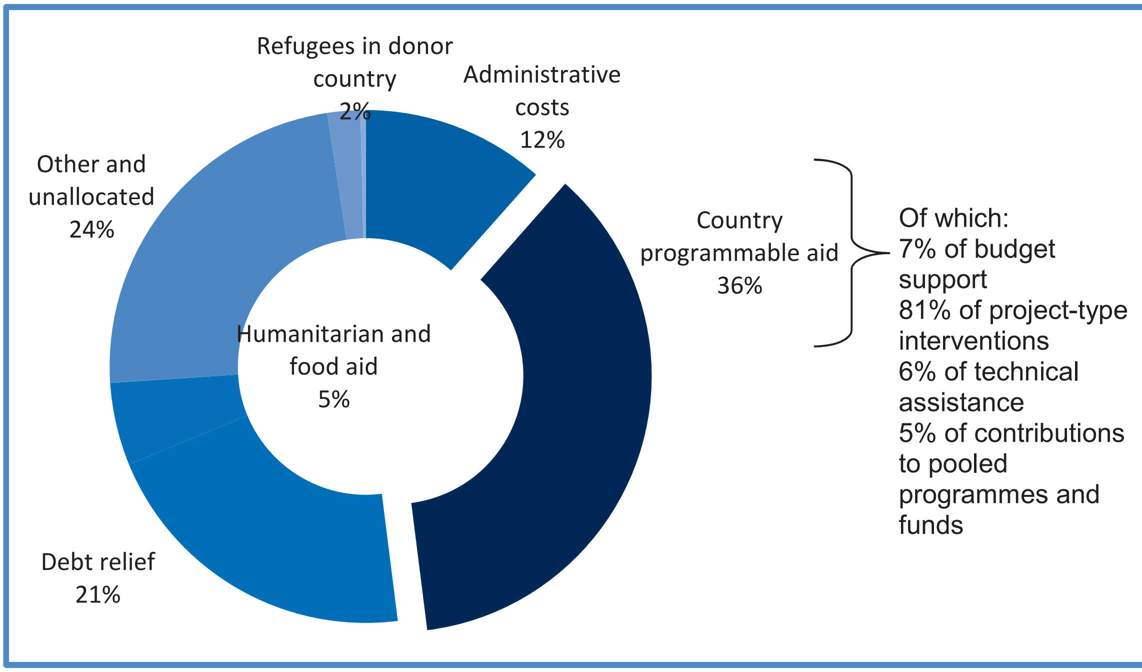
Country programmable aid (CPA) is declining sharply and is well below the DAC average. As a percentage of gross ODA, it declined from 57% in 2009 to 36% in 2013, when the DAC average was 54.5%. The decline is as a result of cuts to bilateral ODA. The particularly low CPA in 2013 is attributable to large-scale debt relief and a high level of unallocated aid which is because of Spain's regional programmes and support to NGOs.

Project-based interventions remain Spain's predominant *modus operandi*, accounting for 81% of CPA support (Figure 3.3), while technical assistance and contributions to pooled programmes and funds claim only a low share. Those proportions would appear to run counter to the IV Master Plan's commitment to increase the use of programmatic aid.[5]

Administrative costs as a percentage of bilateral ODA (at constant prices) increased from 6% to 14% between 2008-12 and 2013-14 – a lot higher than the total DAC share of 6% (Annex B). Spain ascribes this trend to the fact that staff levels have remained stable despite cuts in ODA (Chapter 4).

Figure 3.3 Break-down of bilateral ODA, 2013

Gross disbursements



Source: OECD (2015), Composition of bilateral ODA, 2013, gross disbursements, Spain, in *Development Co-operation Report 2015*, OECD Publishing, Paris, http://dx.doi.org/10.1787/dcr-2015-graph267-en.

Multilateral ODA channel

Indicator: The member uses the multilateral aid channels effectively

Spain's multilateral allocations have not emerged unscathed from the cuts in ODA. Both core and non-core funding declined sharply between 2010 and 2012, though Spain has reversed the fall in core multilateral support since 2012. Allocations are dispersed and fragmented, which is not in line with the strategy – key strategic partners, for example, receive only small shares.

Following ODA budget cuts, Spain considerably downsized multilateral funding, especially non-core resources

Funding to multilateral organisations is a substantial share of Spain's development co-operation – 67% of its gross ODA in 2014, above the total DAC share of 27%. Spain is the eighth largest multilateral provider in relative terms and the twelfth in volume terms, providing USD 1.4 billion in 2013.

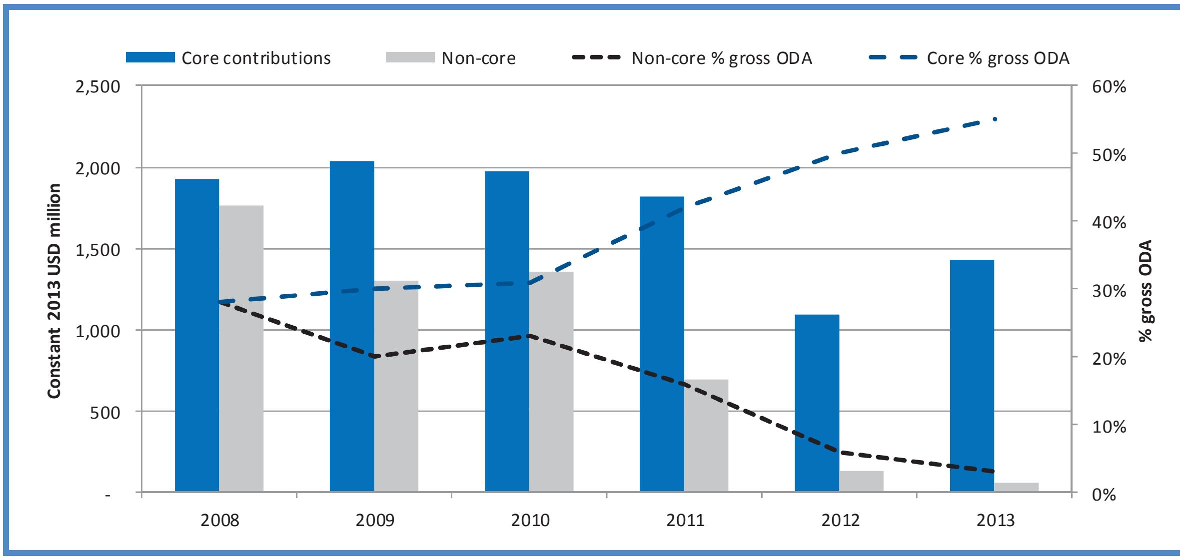
Following ODA budget cuts, Spain considerably downsized multilateral funding, especially non-core resources. Spain's multilateral funding is therefore now provided mainly as core contributions (94%), of which 73% goes to the EU institutions.

As Figure 3.4 shows, after having reached a relatively high share of total ODA in 2008 (28%) and after a temporary increase in 2010, non core multilateral funding has declined sharply. For example, non core funding to the World Bank Group plummeted to zero in 2013 from USD 410 million in 2010.

It is encouraging that Spain's core resources increased in 2013 by 28% in 2013 prices. Spain's was the second largest increase in core funding across DAC members, helping Spain enter the top ten of DAC members in this respect in 2013. The upturn in core funding between 2012 and 2013 was spread across a number of Spain's key multilateral partners, including the EU, the UN, the World Bank Group, the Regional Development Banks, and other multilaterals. For example, the FAO received a large increase from USD 1.4 million in 2012 to USD 15.1 million in 2013 (in 2013 prices).

However, some of the multilateral organisations that Spain has prioritised through Strategic Partnership Agreements have seen a drastic reduction in funding, especially core resources. For example, after decreases in 2011, no core funding at all was provided to UNDP, UNICEF and UNFPA in 2012.

Figure 3.4 Core and non-core contributions to multilateral organisations



Source: OECD (2015), "Spain", in OECD, *Multilateral Aid 2015: Better Partnerships for a Post-2015 World*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264235212-35-en.

Spain's multilateral funding is fragmented and dispersed across government

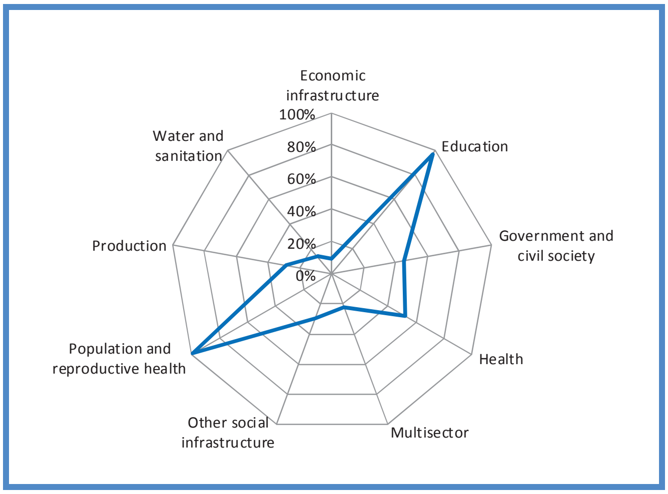
In 2013, 15 different ministries or institutions made multilateral contributions that accounted for 99.7% of total multilateral net ODA. This is challenging given the lack of overall co-ordination between ministries (Chapter 2). Because it manages Spain's EU contributions, the Ministry of the Treasury and Public Administration Services spends 72% of total multilateral ODA. The Ministries for Foreign Affairs and Co-operation and Economic Affairs and Competitiveness disburse approximately 14% each.

In 2013, AECID allocated EUR 22.4 million to 29 organisations – 1.98% of total gross ODA. Its multilateral department provided EUR 18.5 million to 16 organisations, whilst seven other AECID departments disbursed EUR 3.9 million to 17 organisations, many of which receive support from the multilateral department. As such, the ministry's (MAEC) multilateral contribution is reducing as a proportion of the total share of multilateral ODA, and yet within the MAEC system there is a high risk of fragmentation and lack of co-ordination (Chapter 2).

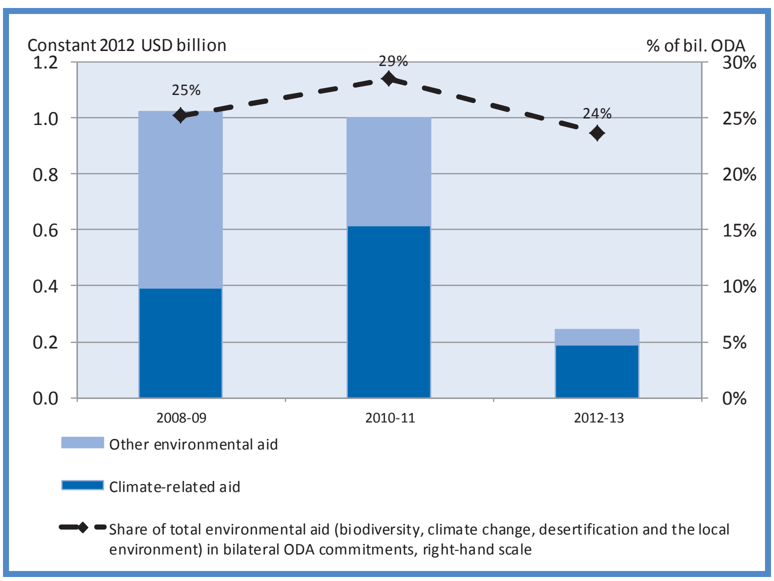
Notes

1. The Senate resolution can be found at: http://www.senado.es/legis10/publicaciones/pdf/senado/bocg/BOCG_D_10_566_3824.PDF

2. Share of bilateral ODA in support of gender equality by sector, 2013, commitments:



3. Bilateral ODA in support of global and local environmental objectives, two-year averages:



4. The relative focus of Spain's climate change-related ODA differs from those of its peers. While on average, DAC members devoted 8% of their development co-operation portfolio to climate change adaptation in 2012-13, Spain's share was 16%, which points to adaptation being a high-priority issue for AECID. As with the rest of environment-related ODA, most of that 16% targeted adaptation as a significant, but not principal, objective. By contrast, Spain dedicated 6% of its development co-operation portfolio to climate change mitigation in 2012-13, which is half of the DAC average of 12%.

5. The IV Master Plan contains a commitment to increasing programmatic aid from a 2012 baseline of 32%.

Bibliography

Government sources

MAEC/SGCID (2015a), “Memorandum of Spain for the 2015 Peer Review”, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC (2015b), *Propuesta de Presupuestos Generales del Estado para 2016. Ayuda Oficial al Desarrollo de la Administración General del Estado* (General State Budget Proposal for 2016: General State Administration Official Development Aid), August, Madrid.

MAEC (2013), *Master Plan of the Spanish Co-operation 2013-2016*, Ministry of Foreign Affairs and Co-operation, Madrid.

Other sources

OECD (2015), *Multilateral Aid 2015: Better Partnerships for a Post-2015 World*, OECD Publishing, Paris, DOI: http://dx.doi.org/10.1787/9789264235212-en.

OECD (2014), *2014 Global Outlook on Aid: Results of the 2014 DAC Survey on Donors' Spending Plans and Prospects for Improving Aid Predictability*, OECD, Paris.

OECD (2013), *OECD Development Assistance Peer Reviews: Spain 2011*, OECD Publishing, Paris. DOI: http://dx.doi.org/10.1787/9789264117129-en .

Proeval (2015), *IV Plan Director de la Cooperación Española – Examen Intermedio (IV Master Plan of Spanish Co-operation – Mid-Term Review)*, MAEC/SGCID, Madrid.

Chapter 4: Managing Spain's development co-operation

Institutional system

Indicator: The institutional structure is conducive to consistent, quality development co-operation

Spain recognises, and has tried to address, structural weaknesses in its institutional system. It has attempted to streamline management arrangements to ease co-ordination within MAEC. At a broader level, it has structures and tools to improve co-ordination between several governmental and non-governmental actors, both at headquarter level and in country offices. Indeed, there appears to have been a slight, though not yet significant, improvement in whole-of-government approaches. However, co-ordination efforts will need continued strengthening.

Spain recognises the need to effect organisational change and to address weaknesses so as to be fit for the future

The IV Master Plan spells out a number of goals and measures related to the organisation and management of Spanish development co-operation (MAEC, 2013). Three of them are:

- a unified, co-ordinated institutional architecture, with clear roles and responsibilities
- reinforced human and technical capacities to meet policy priorities, particularly within Spain's International Development Co-operation Agency (AECID)
- the use of effective and efficient systems.

The commitment to organisational change is prompted by shortcomings in the institutional structure and systems, some of which were highlighted in the 2011 DAC peer review (OECD, 2013). Spain also recognises that budget cuts (Chapter 3) and the drive towards a more concentrated focus (Chapter 2) necessitate organisational review and renewal:

> The current context of budget cuts also brings the opportunity to address our system's structural weaknesses and to build the foundation of an institutional architecture that can adequately support our future development policy. That way, a planned and well-designed investment in capacities is an unavoidable step that will produce positive effects in the medium and long-term (MAEC, 2013).

The implementation of the remedial actions, however, remains work in progress, as this chapter goes on to describe.

Furthermore, in October 2015, at the time of writing, Spain passed laws to repeal the Law of State Agencies of 2006, under which AECID functions, within a year. This gives agencies one year to make decisions on the institutional framework for development co-operation, and three years to enact them. This presents a further opportunity for Spain to reform the system according to the policy priorities of the master plan to be developed in 2016, and based on the evidence of this and other reviews of Spanish co-operation.

Accountability within new management arrangements are not as clear as intended

Spanish development co-operation involves several ministries, AECID and other central, regional and local government bodies with ODA resources (Annex D), which brings co-ordination challenges.

According to the 1998 international development co-operation law,[1] MAEC is the lead institution in the development co-operation system, even though its share of the ODA budget has declined since the 2011 DAC peer review. Within MAEC, the Secretary of State for International Co-operation and Ibero-America (SECIPI) is responsible for foreign policy in Ibero-America, international development co-operation, and the co-ordination of cultural action abroad. The Office of the Secretary General of International Development Co-operation (SGCID) assists SECIPI in those duties. It drafts the 4-year ODA master plans and plan, monitors and evaluates its yearly application. AECID, established in 1993, is the central organisation that manages Spanish co-operation, with its own Strategic Plan (AECID, 2014).

In July 2013, the Secretary General assumed all the duties of AECID's Director. This dual role for the Secretary General was motivated by the will to improve co-ordination and avoid duplication. Spain was clear, however, that there would continue to be two distinct bodies, with AECID still the implementing body and SGCID retaining its strategic policy, planning and evaluation functions. In practice, it is not obvious what benefits the dual role delivers for Spanish co-operation. It risks blurring accountabilities and creating confusion for stakeholders in Spanish development co-operation – not least its staff.

Further, as anticipated in the IV Master Plan, a new management contract between SGCID and AECID would have enabled AECID to strengthen its institutional and management capacities and to be held accountable for organisational performance. The first one was signed in 2009. It spelled out objectives, the resources – human, material and financial – required by the agency, and strategic plans for achieving its goals. The new contract has not yet been approved by the Ministry of Finance and Public Administration, though it is not clear why.

Structures exist for whole-of-government co-ordination, but they could exert more influence

The IV Master Plan encourages more strategic dialogue between Spanish ODA's main players on the management and funding aspects of the programme, as well as on each stakeholder's contribution to the system. The Master Plan's Mid-Term Review found there was improvement in co-ordination. It was confined, however, to information sharing and there was no clear statement of the value added or comparative advantages that the different actors brought to the ODA system (Proeval, 2015).

There are three co-ordination bodies:

- The Development Co-operation Council. As the advisory body to central government offices, it helps define the international development co-operation policy. Civil society and government representatives sit on the Council and the peer review team observed first-hand that it was broad-based and inclusive. The Council meets regularly, but there is an opportunity to use it more effectively for consultation and to inform decision making.
- The Inter-ministerial Committee for Development Co-operation is the inter-governmental technical co-ordinating body. Duties include drafting directives to facilitate co-ordination, propose policy and ensure follow-up. The Committee only meets twice a year and appears to be unable to significantly advance co-ordination between the main players in Spanish development co-operation.

- The Inter-territorial Commission for Development Co-operation brings together national, regional and local government offices involved in development co-operation activities. Its objectives are to promote co-ordination, coherence and complementarity.

There are also examples of inter-ministerial co-ordination on specific policy issues in addition to the three bodies (Chapter 1).

As recommended in the 2011 DAC peer review (OECD, 2013), there is scope to review these structures to ensure that they are mandated to work towards and drive whole-of-government approaches and policy coherence that go beyond information sharing.

Spain has whole-of-country planning tools and structures in partner countries, although not all actors are equally integrated

The clearly stated intention that all Country Partnership Frameworks should become whole-of-government strategies, supported by in-country co-ordination mechanisms, is positive. All actors are required to participate in elaborating the frameworks, and meetings are held at the field and at headquarters level to develop these.

The Ambassador of Spain in each country leads co-ordination efforts. Ambassadors head the permanent co-ordination groups (GECs) that oversee Spanish development co-operation actors in partner countries and territories. Evaluations of Country Partnership Frameworks find that co-ordination groups have strengthened dialogue.

However, CEGs often have no clearly defined objectives. There is also evidence that, outside AECID, decentralised co-operation actors and NGOs make little use of Country Partnership Frameworks as planning instruments (MAEC/SGCID, 2015b). In El Salvador, for example, the CEG does not facilitate inclusive, ongoing dialogue with all Spanish stakeholders (including NGOs), outside of planning for the Country Partnership Framework – even though the co-operation office in El Salvador took the positive decision to include the government of El Salvador in the GEC.

Country offices have a high degree of autonomy

In line with Spain's flexible approach, country offices have been delegated a high degree of autonomy for designing, implementing, monitoring and evaluating programmes in the field. This is welcome, although there are risks of insufficient quality assurance, and general checks and balances, from headquarters (Chapter 5).

Spain has no systems or structures specifically for fragile contexts. Its current systems are, however, flexible enough to allow a pragmatic approach to the fast evolving situations that prevail in fragile states.

Adaptation to change

Indicator: The system is able to reform and innovate to meet evolving needs

Against the background of cuts in ODA and structural weaknesses, Spanish development co-operation has taken some bold steps to reform and innovate. The government will need to review and adjust them, as the country moves in to the next master plan period.

The system has shown itself able to reform and this will need to be a continual process

Budget cuts have precipitated Spain's recognition of the need for organisational change to improve efficiency and resourcing decisions. An institutional innovation, for example, driven by the decision to reduce the number of priority countries and territories, was to transform some country offices into thematic and regional hubs[2] to complement Spain's evolving relationships with some middle-income countries (Chapter 2). The office in Costa Rica, for example, is now a specialised office for the environment and climate change, supplying technical advice to the entire Latin America and Caribbean region.

AECID has commissioned studies of the structural organisation and staffing at headquarters and field offices with a view to improving the distribution of available resources. It is not clear however what action has been taken as a result of this analysis.

As Spain plans for the next Master Plan, it will be important to review and adjust the suite of reforms implemented over the last three years, including those described in this chapter and those related to the information management and common monitoring systems (Chapter 6), to ensure they are fit for purpose – particularly in light of the legal changes affecting AECID.

There are innovations in approach, but no systematic incentives to innovate

There are no institutional incentives specifically to promote innovation. Spain has, however, sought to adapt its development co-operation practices to follow a knowledge-intensive model by forming new partnerships (Chapter 2), introducing new instruments like triangular co-operation (Chapter 5), and institutional structures (see above).

There is also an innovation fund, put in place in 2014, which issues annual calls for proposals. The purpose is to finance projects which incorporate tried and tested innovative solutions that can be scaled up. It is positive that the fund priorities – thematic and geographic – are aligned with the master plan and Country Partnership Frameworks. In 2014, 23 projects were co-financed through grants totalling EUR 3 million.[3]

Human resources

Indicator: The member manages its human resources effectively to respond to field imperatives

Over the last four years, staff levels have marginally fallen in AECID and marginally risen in the ministry. Maintaining human resources despite budget cuts is an impressive achievement. However, a number of issues have affected staff motivation and organisational performance. They include government-wide public sector reforms and labour laws, but also issues within the control of the ministry – particularly the lack of a human resources vision or strategy.

Spain has maintained its staffing levels

The closure of country offices has not led to major reductions in staff numbers overseas, since AECID sought to maintain its overall capacity. In fact, decentralised staff levels have risen in recent years – from an average of 9.7 people per office in 2011 to 12.1 in 2014. Of those, 382 are in the Americas, 195 in Africa, and 26 in Asia.

Total AECID staff fell marginally from 1 144 in 2011 to 1 063 in 2014. As for SGCID, the number of employees climbed slightly (Table 4.1), boosted by 18 full-time consultant positions. Again, the relative stability of staff numbers at a time of budget cuts reflects recognition by Spanish authorities that capacity was insufficient to deliver the higher levels of ODA before 2011.

Table 4.1 Staff levels since 2011 in the Ministry of Foreign Affairs and Co-operation

AECID staff by location	2011	2012	2013	2014
Headquarters	505	485	472	460
Overseas	639	630	609	603
TOTAL AECID	**1144**	**1115**	**1081**	**1063**
SGCID staff				
Headquarters	25	25	27	32
TOTAL MAEC	**1169**	**1140**	**1108**	**1095**

Source: MAEC/SGCID, 2015a

Spain lacks a human resources strategy, and faces a number of obstacles to managing human resources effectively

Although it has maintained staff numbers, AECID has faced significant human resource challenges over the last few years that have affected its ability to recruit, rotate and motivate staff.

Recommendations on human resources from the 2011 DAC peer review remain valid (OECD, 2013). A human resources strategy and medium-term planning that focus on staff skills, allocation and systems for transparent performance management would improve the capacity to deliver a quality programme – their absence was clearly seen to impact on the management and organisation of the programme in El Salvador (Annex C).

The Master Plan Mid-Term Review notes the low correlation between technical needs and skills. It recommends a human resources policy that is better linked to working towards objectives (Proeval, 2015). Planning and analysis for the next master plan afford Spain the opportunity to assess human resource policies and needs – including the balance between generalist and specialist skills – against meeting its strategic objectives.

AECID staff have few prospects of being posted to or transferred between overseas posts, which affects motivation, career development and organisational performance. In 2013-14, AECID managed to carry out a rotation scheme for programme advisors, posting employees who had been working in the same overseas office for more than five years to offices in other countries. AECID is negotiating a permanent agreement on staff mobility with trade unions, but this has not yet been concluded.

Relatedly, staff operate with different terms and conditions, affecting posting and promotion possibilities. All overseas personnel are contract staff posted to positions for different durations.[4] Locally employed staff are restricted to working on administrative functions only. In headquarters, 85% are staff officers and 15% contract staff.[5]

Since 2009, human resources policies in various government departments and agencies – amongst them AECID – have been affected by austerity measures, such as not filling vacancies, freezing recruitment and introducing wage restraints. Several other terms and conditions, particularly for overseas agency staff, have deteriorated since austerity measures were introduced.

Staff development opportunities are available but are not always needs based

AECID has expanded its training programme to include new corporate priorities such as results management and the greater use of online resources, particularly for the benefit of field staff. Personnel working in fragile states also receive special training in skills required in dangerous situations. However, feedback from El Salvador suggests that training opportunities and resources do not necessarily benefit all staff, including local staff, equally. Nor are they always based on need – possibly because there is no performance management system that helps identify and prioritise staff development priorities, in the context of broader corporate and localised objectives.

Notes

1. The official state bulletin inventories law-making. For details on the development co-operation law, go to www.boe.es/buscar/act.php?id=BOE-A-1998-16303.

2. Egypt is the co-operation hub in the Middle East for the implementation of the MASAR Programme to support democratic transition processes in the Arab world, so helping to modernise and strengthen key institutions, and use civil society as the engine of the change. The Technical Co-operation Office in Montevideo is a regional hub for the "South Cone" (Argentina, Uruguay, Chile and Brazil). The office is a benchmark hub for promoting triangular co-operation agreements as a way to work with less developed countries in Latin American and the Caribbean.

3. For more on innovation projects funded as part of ODA, go to: www.aecid.gob.es/es/Tramites-Servicios-en-linea/subvenciones-acciones-co-operacion/2014-SubvAyudCo-opInterPolExteGob.html.

4. There are four main staff profiles:
    - General managers. They are the heads of technical offices, cultural centers and training centers. They have top management contracts, which can be terminated by AECID without giving grounds in return for monetary compensation.
    - Programme managers. They have permanent contracts that are not governed by collective agreements. Terms and conditions are agreed by AECID and the employee.
    - Project managers. Contracted for specific projects for no more than three years.
    - Local employees. They are support staff working in AECID overseas offices with permanent contracts covered by the national labour law of the country where the office is located.

5. AECID staff, as with any Spanish public employee, belong to two different categories: staff officers and contract staff. Staff officers are governed by administrative laws, a set of particular rules specifically issued to cover all aspects of a career – from recruiting to retirement. Contract staff fall under the same general labour law that covers any working relationship between an employer and employee, regardless of the public or private status of the former. The employee's rights and duties are usually negotiated and agreed between governmental bodies and unions in documents called "collective agreements". There are a number of common regulations by which both groups must abide, given that that decisions on public expenses and public job offers are in the hands of a single governmental body, the Ministry of Finances and Public Administration.

Bibliography

Government sources

AECID (2014), *Plan Estratégico de la Agencia Española de Cooperación Internacional Para El Desarrollo AECID 2014-2017* (Strategic plan of the Spanish Agency for Development Co-operation), Agency for International Development Co-operation, Madrid.

MAEC/SGCID (2015a), “Memorandum of Spain for the 2015 Peer Review”, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2015b*), Síntesis: Evaluaciones de Marcos de Asociación País (Synthesis: Evaluation of Country Partnership Framework)*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC (2013), *Master Plan of the Spanish Co-operation 2013-2016*, Ministry of Foreign Affairs and Co-operation, Madrid.

Other sources

OECD (2013), *OECD Development Assistance Peer Reviews: Spain 2011*, OECD Publishing, Paris. DOI: http://dx.doi.org/10.1787/9789264117129-en.

Proeval (2015), *IV Plan Director de la Cooperación Española – Examen Intermedio (IV Master Plan of the Spanish Co-operation – Mid-Term Review)*, MAEC/SGCID, Madrid.

Chapter 5: Spain’s development co-operation delivery and partnerships

Budgeting and programming processes

Indicator: These processes support quality aid as defined in Busan

Spain is clearly committed to the Busan principles for effective development co-operation. Flexibility in budgeting and programming, enhanced by AECID’s significant autonomy in partner countries and territories, helps Spain to be responsive to the needs of its partners and adjust its activities in a timely manner. Spain uses country systems when possible and uses conditionality sparingly. However, the low levels of disbursement affects results, programme management and budgeting. The absence of standard, streamlined procedures, even for risk analysis and oversight, can also affect efficiency and accountability.

Spain has flexible budgeting processes which could be more predictable

Constrained by an annual budgeting process and low levels of execution, the predictability of Spanish aid delivered in a partner country is limited, though it can be allocated flexibly when necessary.

Country Partnership Frameworks include a four-year indicative budget for bilateral grants.[1] Due to recent changes in budgeting procedures, however, budgets are no longer formal multi-year commitments, but informal agreements internal to the Spanish International Development Co-operation Agency (AECID).

Predictability is also undermined by delays in disbursement. In 2013, the annual predictability rate was 69% – well short of the 2015 target of disbursing 90% of funding as scheduled – and medium-term predictability was only 39% (OECD/ UNDP, 2014). The predictability of the loan instrument – the Development Promotion Fund (FONPRODE) – is even lower, with only EUR 36 million disbursed in 2014 from the initially budgeted EUR 341 million. Such low levels of execution also affect results and programme management.

Budget flexibility on the other hand is high. Once parliament approves a general budget for bilateral co-operation, the agency can then allocate the funds it receives at its discretion. Moreover, the existence of two funds – one dedicated to emergencies and one made up of what is left over from the previous year – gives Spain leeway for adapting funding to evolving contexts and needs. Regarding the budget disbursed in country, flexibility applies only to a limited share, as the bulk of it is pre-committed and channelled through NGOs and non-country programme funds, such as the Fund for Water and Sanitation.

The Country Partnership Frameworks and the autonomy in partner countries support alignment

Country strategy and programming processes clearly support alignment with partner countries' and territories' needs. Spain develops Country Partnership Frameworks in-country, in close consultation with partners and aligns them with partners' planning cycles. That approach is best practice. In addition, budgeting and programming flexibility, enhanced by AECID's significant autonomy,[2] helps Spain to be responsive to the needs of its partners and to adjust its activities in a timely manner, as evidenced in El Salvador (Annex C).

The growing use of FONPRODE could, however, adversely affect the practice of close alignment. The time it takes FONPRODE to formulate loans and their low level of execution calls into question its ability to respond promptly to needs. Despite recent efforts to strengthen the management of the fund[3] and the changes to its legal framework, what added value it brings is still unclear.

Spain is not using country systems to the extent their commitment implies

Spain is committed to using country systems but still has scope to do more. The new methodology for designing Country Partnership Frameworks, drafted in 2013, indicates that Spain should use country systems whenever possible and, to that end, offers a choice of instruments with different degrees of alignment. The methodology also recommends harmonising the approach with other donors and drawing on existing assessments to choose the appropriate instruments. Without more specific guidance, however, there is a risk that staff may not be properly equipped to select the instrument most suited to the national system.

The synthesis of evaluations of Country Partnership Frameworks (MAEC/SGCID, 2015b) observes that the methodological guidance to the frameworks has encouraged the use of country systems, though sometimes at the expense of full and timely disbursement. However, as observed in El Salvador, when inefficiencies become apparent, Spain provides hands-on support to partners in planning and implementing programmes, to build their capacities and overcome the efficiency challenge.

Nonetheless, the use of country systems is still short of the agreed targets for 2015. According to the monitoring report from the Global Partnership for Effective Development Co-operation (GPEDC), 57% of Spain's aid scheduled for the government sector in partner countries and territories in 2013 was recorded in the partners' national budgets, whereas the 2015 target is at least 85% (OECD/UNDP, 2014). Forty eight per cent of Spain's development assistance to the government sector was channelled through partners' public financial management and procurement systems, short of the target of 57%. That share may also fall with the introduction of lending because, in joint programmes, some loans will have to comply with the other financial partner's procedure.

Risk analysis is not applied or reported on systematically

There are no formal and systematic methodologies or tools for analysing risk in country programmes or for formulating interventions, even though risk analysis is required when drafting a Country Partnership Framework. Risk analysis is more formalised for loans financed by FONPRODE. The Spanish Development Finance Company (COFIDES) conducts risk assessments with an investment perspective. They are based on macro-economic and context analysis of sectoral, organisational, and institutional risk. The analysis complies with World Bank standards.

AECID offices in partner countries and territories also lack clear and consistent guidance from Madrid for oversight focused on results and effective programme management. Efforts being made by the agency to formalise procedures should not be restricted to formulation, but should include monitoring and risk management to increase efficiency and improve accountability.

Positive trends in untying ODA

In response to the 2011 peer review, Spain has made progress in untying its development aid. Its share of untied ODA[4] increased from 83.4% in 2012 to 85.1% in 2013, above the DAC average of 78.4%. Some of the remaining tied ODA comes from tied trust funds in multilateral institutions which will not be replenished.

Spain has no policy on conditionality

Spain's ODA to its partners is seldom conditional. When conditions are used, they support a stronger focus on public policies towards development, human rights, gender equality, diversity and the environment, and they abide by the commitments in the Accra Agenda for Action (AECID, 2014a).

Partnerships

Indicator: The member makes appropriate use of co-ordination arrangements, promotes strategic partnerships to develop synergies, and enhances mutual accountability

Spain takes a pragmatic approach to co-ordination and partnership, building on its strengths and added value. It actively applies the principle of division of labour by engaging in delegated co-operation and supporting the European Union Joint Programming Process. In its key regions, it uses its position to renew the concept of partnerships with governments with a strong focus on capacity building and on triangular and South-South co-operation. Partnerships with other actors such as the private sector and NGOs could be enhanced by clear strategies as well as effective and efficient instruments. A stronger focus on results would also enhance mutual accountability.

Spain applies the division of labour principle, but does not consistently pool funds with others

Spain applies the division of labour principle through delegated co-operation, especially in operations delegated by the European Commission (EC).[5] In its key regions, it is exiting some traditional sectors to allow other donors to lead and is engaging in silent partnerships in countries where its profile is lower.[6] Spain actively supports the European Union (EU) Joint Programming Process. When possible, it also aligns its Country Partnership Framework cycles with the EU cycle.

In partner countries and territories where it can play a leading role, Spain supports joint initiatives that contribute to donor harmonisation and reduce the burden of fragmented aid on partners. In El Salvador, for example, Spain launched joint sectoral budget support for the Communidades Solidarias Rurales Programme for families in extreme poverty, and a joint programme for fiscal reform.

Contrary to commitments made in the IV Master Plan, however, it has reduced its participation in pooled programmes and funds since 2011 – from 12% to 3% of bilateral ODA disbursements (Annex B). One reason is cuts in co-operation budgets, which are now too low to contribute efficiently to pooled funding instruments. More narrowly focused ODA (Chapter 3) could help Spain reverse the trend.

The lack of results

Spain's main instrument for mutual accountability is the Country Partnership Framework. The frameworks are signed with the partner country. Commissions dedicated to their

monitoring affects mutual accountability

monitoring can involve representatives from the partner country as well as Spanish co-operation actors. Frameworks are also evaluated jointly. However, because there is no monitoring of the results indicators agreed on in Country Partnership Frameworks, there is no knowledge of how effectively a development co-operation programme has produced development results. Mutual accountability is thereby weakened.

Accountability to civil society organisations (CSOs) in partner countries and territories could be greater. Spain does not always keep them well informed about follow-up on or the results of consultations (Chapter 4), or about the various projects it finances in the country. In addition, the agency does not use the Country Partnership Frameworks' indicators related to CSOs' activities to have a dialogue with these organisations, which limits accountability on results.

Strong partnerships with governments, and has made improvements in partnerships with other actors

The IV Master plan stresses the need for Spanish development co-operation to form more strategic relationships with a variety of partners (MAEC, 2013b), including non-traditional actors. While Spain has built close partnerships with governmental entities, partnerships with NGOs are still in the making.

Spain has forged close partnerships with its partner country governments. It has adjusted its instruments so as to engage in new relationships, shifting from the role of traditional aid donor to strategic development partner. In El Salvador, for example, it builds capacity in its priority areas with constant support and dialogue – beyond the support for project implementation. Spain engages in and supports triangular and South-South co-operation (Box 5.1) as tools for partnering with middle-income countries for global public goods (Chapter 1) and building capacity. Its commitment to horizontal partnerships also emerges in the new-generation agreements it has signed, or is to sign, with middle-income countries (Chapter 2). In response to the 2011 peer review, Spain also supports the monitoring and evaluation of triangular and South-South co-operation instruments in order to learn lessons and share them (OECD, 2013).

In each country, Spain makes an effort to engage all its partners when designing a Country Partnership Framework, even though dialogue is focused more on planning than execution (Chapter 4). Spain's efforts to partner with the private sector are recent and still limited (Chapter 1). The new funding instruments are a first step towards developing partnerships, but they do not yet properly suit the private sector's modus operandi, especially in terms of flexibility and ambition. Although Spain recognises the role of universities in capacity building, there is little evidence that it has entered into partnerships with them, aside from their involvement in the Development Co-operation Council.

Box 5.1 Latin American Programme to strengthen South-South Co-operation

The Ibero-American Programme to strengthen South-South Co-operation (PIFCSS), created in 2008 and launched in 2010, brings together 19 of Latin America's 22 countries in order to:

- strengthen the institutional capacity of development co-operation agencies
- improve the quality of South-South co-operation in Latin America through knowledge management
- increase the position and visibility of South-South co-operation in the region.

To achieve those objectives, PIFCSS provides training, engages in knowledge sharing, reports annually and records experience, consolidates information systems, has created methodologies, tools and policy instruments for South-South and triangular co-operation, and builds common positions in international forums.

Spain has actively supported PIFCSS since its creation, both technically and financially, in order to strengthen South-South and triangular co-operation in the region.

Source: http://www.cooperacionsursur.org/informacion-del-programa/objetivos-estrategicos-y-lineas-de-accion.html

Ways to engage with NGOs could be more effective and efficient

In response to the 2011 DAC peer review recommendation (OECD, 2013), Spain is developing a partnership strategy for working with civil society organisations. The strategy will clarify Spain's strategic objectives in this area and the different roles of the CSOs when being strategic and implementing partners.[7] While it is positive that Spain has revived dialogue with NGOs through a working group, its new strategy has not been approved yet and delays are affecting trust.

Spain has made efforts to streamline its NGO funding instruments, but they still carry high transaction costs. It has created four such instruments – for long-term programmes, short-term projects, humanitarian assistance and innovation.[8] They complement each other and are designed to suit different types of organisation. In practice, however, budget cuts have prevented a number of planned calls for proposals, which has impaired the complementary strengths of the funding instruments, made funding unpredictable, and affected CSOs' ability to plan and programme. Furthermore, screening processes, funding mechanisms and accountability measures appear to place an excessive administrative burden on both parties.

A more practical use of the process for qualifying NGOs could improve the efficiency of financial accountability – or of auditing, at least – and increase the focus on results. Greater emphasis on Country Partnership Framework indicators in the reporting requirements for NGOs would also help Spain balance accountability and learning.

Fragile states

Indicator: Delivery modalities and partnerships help deliver quality

Development programmes in fragile contexts are pragmatic and flexible and, usefully, focus on working with local government. However, these programmes are not systematically complemented by other Spanish government efforts, limiting the potential results.

A pragmatic and flexible approach to fragile contexts, focusing on the local level. But strategy is not yet whole-of-government

Spain takes no special approach to working in fragile contexts, nor is it required to focus on peacebuilding and statebuilding in fragile environments. Instead, it adapts its programming to the specific country context. It does, though, focus consciously on working with local authorities and public institutions at local level, which includes promoting participatory budgeting and strengthening relations between the state and society at local level – a constructive approach to statebuilding when it is not feasible to work with national governments.

However, Spain's programme strategies are not always whole-of-government, which means missed opportunities to leverage all of its policy and programming tools in pursuit of better results in these difficult contexts.[9]

Outreach to other partners for a coherent approach

As in other priority countries and territories, Spain builds its country strategies on dialogue with partner countries and territories, other donors and key stakeholders, including civil society. ODA cuts (Chapter 3) have reduced its participation in multi-donor trust funds, though, prompting it to work bilaterally in fragile contexts.

No special tools for fragile contexts

Spain has no programme tools or simplified procedures specifically designed for fragile contexts. Instead, it works with a variety of partners suited to a particular context – e.g. civil society groups, multilateral development banks, or local government and related associations like the Malian Association of Municipalities. Although that approach to designing programmes does not really factor in risk, it does leave room for altering course and delivering aid through another channel should an adverse event (or opportunity) occur. Spain could however consider a more proactive risk management system in these rapidly evolving environments.

Notes

1. The budget does not supply information on funds provided through multilateral or loan instruments.

2. AECID identifies interventions in the partner's strategy and formulates them together with the partner and other development co-operation providers. The management committee in the partner country can adjust and reformulate projects if need be.

3. COFIDES has been introduced as a management support entity and AECID has created a dedicated management support unit – the office of FONPRODE. The unit has 12 people in headquarters and 4 in different technical co-operation offices. It also plans to recruit field technicians.

4. Excluding administrative costs and in-donor refugee costs.

5. AECID has been accredited by the EC for carrying out delegated co-operation operations since 2011. Since then, the EC has delegated 15 operations worth EUR 135.66 million to Spain – blending and delegated co-operation.

6. Spain is a silent partner in Mali and Cambodia.

7. The working group – made up of SGCID, AECID and Coordinadora de ONG para el Desarrollo (development NGO co-ordinating platform) – recognise that CSOs perform the following tasks: foster participation in the political process related to development co-operation, strengthen civil society in partner countries with regards to institutions and democracy, guarantee basic social service coverage, deliver quality responses to humanitarian crises, and educate on development.

8. The four funding channels are: (i) long-term programme support for qualified NGOs (four years), (ii) short-term project support; (iii) agreements with NGOs specialising in humanitarian aid for quick responses to emergencies; and (iv) innovation actions which encourage NGOs to form consortia with other entities, including entities from the private sector.

9. There is of course some work across government – in the (now closed) Afghanistan programme, for example, AECID worked with the Ministry of Defence. There are also ad hoc discussions with the Ministry of Interior, for example, on the issue of migration from Morocco. However, such examples of cross-departmental work are more exchanges of information than coherent strategic planning.

Bibliography

Government sources

AECID (2015), "Nota Informativa sobre Co-operación Sur-Sur y Triangular" *(*Information Note on South-South and Triangular Co-operation), Agency for International Development Co-operation, Madrid.

AECID (2014a), *Guía de Modalidades e Instrumentos de Cooperación de la AECID (*AECID Guide to Development Co-operation Modalities and Instruments*)*, Agency for International Development Co-operation, Madrid.

AECID (2014b), *Normas de Gestión, Seguimiento y Justificación de Convenios y Proyectos de ONGD y de Acciones de Cooperación para el Desarrollo – Guía de Aplicación (*Standards for Management, Monitoring and Justification of NGO Agreements and Projects and Development Co-operation Actions – Application Guide*)*, Agency for International Development Co-operation, Madrid.

AECID (2014c), Plan Estratégico de la Agencia Española de Cooperación Internacional para el Desarrollo AECID 2014-2017 (Strategic plan of the Spanish Agency for Development Co-operation), Agency for International Development Co-operation, Madrid.

MAEC (2013a), *Manual para el Establecimiento, Seguimiento y Evaluación de Marcos de Asociación País – Metodología (*Handbook for the Creation, Monitoring and Evaluation of Country Partnership Frameworks – Methodology*),* Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC (2013b), *Master Plan of the Spanish Co-operation 2013-2016*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC (2011), *Orden AEC (Asuntos Exteriores y Cooperación)/2909/2011, de 21 de octubre, por la que se establecen las bases para la concesión de subvenciones de cooperación internacional para el desarrollo (Order AEC/2909/2011, establishing the basis for the award of grants for international co-operation for development)*, BOE, Madrid.

MAEC/SGCID (2015a), "Memorandum of Spain for the 2015 Peer Review", Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2015b*), Síntesis: Evaluaciones de Marcos de Asociación País (*Synthesis: Evaluation of Country Partnership Framework*)*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2014), *Evaluación Intermedia Marco de Asociación País El Salvador - España – Informe Completo (*Mid-term Evaluation of the Country Partnership Framework El Salvador – Spain – Full Report*)*, MAEC, Madrid.

Other sources

OECD (2015), *Development Co-operation Report 2015: Making Partnerships Effective Coalitions for Action*, OECD Publishing, Paris, DOI: http://dx.doi.org/10.1787/dcr-2015-en.

OECD (2014), *2014 Global Outlook on Aid: Results of the 2014 DAC Survey on Donors' Spending Plans and Prospects for Improving Aid Predictability*, OECD, Paris. Available at: http://www.oecd.org/dac/aid-architecture/GlobalOutlookAid-web.pdf.

OECD/UNDP (2014), *Making Development Co-operation More Effective: 2014 Progress Report*, OECD Publishing, Paris, DOI: http://dx.doi.org/10.1787/9789264209305-en.

OECD (2013), *OECD Development Assistance Peer Reviews: Spain 2011*, OECD Publishing, Paris, DOI: http://dx.doi.org/10.1787/9789264117129-en.

Proeval (2015), *IV Plan Director de la Cooperación Española – Examen Intermedio (IV Master Plan of the Spanish Co-operation – Mid-Term Review)*, MAEC/SGCID, Madrid.

Chapter 6: Results management and accountability of Spain's development co-operation

Results-based management system

Indicator: A results-based management system is in place to assess performance on the basis of development priorities, objectives and systems of partner countries

Spain is developing a promising approach in planning for results, drawing on partner country results frameworks. However, accelerating the move from planning to managing for results – i.e. using results information to support decision making – will require a results culture, the right tools, and adequate monitoring.

A first attempt to plan for results, though not yet to manage for results

Spain's approach to results-based management holds potential, especially at country level, though work so far has been confined to planning for results. At the corporate level, the IV Master Plan targets eight development results or strategic orientations guiding Spanish development co-operation in partner countries and territories (Chapter 2). However, the results framework attached to the Master Plan focuses on operational and organisational effectiveness and does not, as initially planned, include development results. Nor is there an information system that centralises data or enables results information to be shared. Also absent is a unit with a clear mandate for measuring the indicators. The framework is not, therefore, used for monitoring, and the Master Plan Mid-Term Review finds that its ownership is limited (Proeval, 2015). This is a missed opportunity to support results-based management across Spain's development co-operation.

While strategic guidelines structure Spain's overall ODA offer, the actual planning for results takes place at country level. The Country Partnership Frameworks spell out the development objectives which Spanish development co-operation aims to contribute and achieve. They include operational and results indicators, targets, and baselines that draw on partner country results frameworks, where they exist, and national statistics. In practice, however, results matrices attached to Country Partnership Frameworks are not used for monitoring or decision making, which has prompted some frustration among partners and staff. At fault are the weakly articulated chain of results, indicators that are short on quality and relevance, reporting requirements that focus on projects' outputs and operational performance, the lack of appropriate monitoring tools, little transversal analysis, and a results culture that is still only nascent.

Spain's International Development Co-operation Agency (AECID) is currently developing an integrated monitoring system which will link the Master Plan, Country Partnership Frameworks and AECID annual plans more closely together – and include intended and achieved development results.[1]

The agency is also working on building a results culture, as evidenced by the launch in 2014 of a network on effectiveness and quality of aid (RED E+C)[2] and training in results-based management. Building a mature results culture, designing effective planning and monitoring tools, and strengthening internal capacity will all be critical to accelerating the move towards managing for results. Engaging actively with the OECD Development Assistance Committee's (DAC) results community would help Spain reach these objectives.

Results measurement is still weak and does not use a specific approach in fragile contexts

The methodology for designing, monitoring and evaluating Country Partnership Frameworks requires using national statistics – or data from multilateral institutions – to determine indicators and baselines for each development result. In practice, for the reasons outlined above, it uses development results neither in strategic oversight nor to ensure transparency. The agency therefore draws up reporting requirements, which are confined to technical and financial reports, in parallel to existing country systems. As evidenced in El Salvador (Annex C), the requirements are subject to change over time, so swelling the administrative burden on staff and partners.

Because there is no results monitoring in partner countries and territories, Spain collects and processes information on results during project and country evaluations[3] – which it conducts jointly with its partners. Whether such information can give rise to corrective action depends on the co-ordination mechanisms in place in each country.

Finally, Spain does not use separate procedures for monitoring in fragile contexts – something it may wish to review as it moves to strengthen its monitoring practices.

Evaluation system

Indicator: The evaluation system is in line with the DAC evaluation principles

Spain has strengthened its evaluation function with a clear policy that balances accountability and learning, a reinforced evaluation unit, the strategic planning of evaluations and the dissemination of methodological support. In the absence of a dedicated budget for centralised evaluations, the lack of any external scrutiny over evaluation plans may affect independence. Spain could further pursue its efforts to conduct joint evaluations by taking part in country-led evaluations.

A strengthened evaluation function

As recommended in the 2011 DAC peer review (OECD, 2013), Spain has made great efforts to strengthen its evaluation function. In the wake of a consultation with stakeholders and DAC members, it approved a new evaluation policy in 2013.[4] The new policy is aligned with the DAC evaluation principles and balances learning and accountability objectives.

The policy clarifies the responsibilities of the Evaluation and Knowledge Management Division in the General Secretariat for Development Co-operation (SGCID), tasked with strategic evaluations;[5] and of the agency, tasked with operational evaluations. Contrary to the initial plan of creating an evaluation unit within AECID, and in order to avoid any duplication of evaluation functions, AECID staff in the field take direct charge of the latter. To support them, the agency has set up a support network and SGCID supplies methodological tools. The Evaluation and Knowledge Management Division has created a quality grid to appraise content and process, annotated terms of reference, tools and guidelines for specific themes, and has posted an evaluation handbook online. The Division may even conduct evaluations itself, depending on whether the topic to be evaluated is strategic to Spanish development co-operation. As evidenced in El Salvador, those efforts are appreciated in the field, where they have helped shape more strategic evaluations.

Since 2012, the Evaluation and Knowledge Management Division has been strengthened with the recruitment of three external consultants[6] thanks to a partnership with the International and Ibero-American Foundation of Administration and Public Policies (FIIAPP). While the Division's staffing level seems satisfactory for the time being, the short-term contracts that govern employment arrangements of half the staff is a risk.

Finally, the Evaluation and Knowledge Management Division reports directly to the Secretary General of International Co-operation for Development and external experts conduct evaluations. Evaluation is therefore independent from the process of policy formulation and implementation.

Spain plans evaluations strategically, but the lack of a dedicated budget and external scrutiny can affect independence

Since 2013, Spain has published biennial evaluation plans which encompass all the evaluations that Spanish co-operation as a whole is scheduled to produce. They range from strategic evaluations handled by SGCID to operational evaluations conducted by field offices, and those carried out by non-governmental organisations (NGOs) and autonomous communities.

The evaluations that SGCID conducts are selected strategically to ensure that evaluations are useful and that the coverage of themes, sectors, geographical areas, aid modalities and instruments, as well as evaluation methods, is meaningful. Spain also evaluates key policy documents such as the master plans and Country Partnership Frameworks, which is good practice. In addition, all interventions conducted by NGOs or financed by the Development Promotion Fund (FONPRODE) and the Fund for Water and Sanitation – subject to special regulation – are systematically evaluated, which further widens the scope of the evaluation portfolio.

However, apart from the above mentioned evaluations governed by special regulations that are budgeted as part of implementation, no budget is dedicated to centralised evaluation. Indeed, the cost of each evaluation has to be approved by the Secretary-General and is then covered by SGCID's general budget. Because the Evaluation and Knowledge Management Division has no dedicated budget, the lack of scrutiny from an external body over the evaluation plans or findings, may adversely affect independence and the ability to plan strategically.

Spain is a strong supporter of joint evaluations

As part of its 2013-14 evaluation plan, Spain carried out almost three-quarters of its evaluations jointly with other development partners or partner countries and territories.[7] It evaluated every Country Partnership Framework together with the partner country (Chapter 5) and key Spanish stakeholders, for example. Spain, not the partner country, leads joint evaluations, as the Spanish co-operation struggles to find counterparts in partner administrations.

To promote evaluation capacity building, Spain supports Evalpartners, the global movement to strengthen national evaluation capacities launched in 2012.[8] It also backs and stages events to promote learning and experience sharing amongst its partners. It has, for example, hosted a seminar at the end of September 2015 in Cartagena de Indias in Colombia to reflect on the institutionalisation of evaluation in the Ibero-American context. In light of its position in Latin America, and the experience of the region in public policy evaluation, there is scope to further support country-led efforts in this area.

Institutional learning

Indicator: Evaluations and appropriate knowledge management systems are used as management tools

Spain has solid foundations for using knowledge as a management tool. It boasts a clear vision and practical instruments for knowledge generation and sharing. Still, it will have to make further efforts to ensure that knowledge actually serves the development co-operation programme, especially when it comes to making use of evaluation findings.

Spain has sound foundations on which to build in its efforts to improve the use of evaluation findings

Spain has designed tools to improve the dissemination and use of evaluations, but still needs a better understanding of evaluation as a management and learning tool.

As well as a website that hosts evaluation reports conducted by all Spanish ODA actors, complete with summaries, the Evaluation and Knowledge Management Division produces three-page recaps of the key points (*puntos claves*) of each study. They include conclusions, recommendations and lessons. The Division also organises seminars and public presentations and launched a new Evaluation and Knowledge Management collection.

Finally, the annual evaluation report – which the Evaluation and Knowledge Management Division shares with the Spanish Congress, the Executive Council of the AECID, and the Development Co-operation Council – includes a chapter on lessons from evaluations carried out the previous year (MAEC/SGCID, 2014).

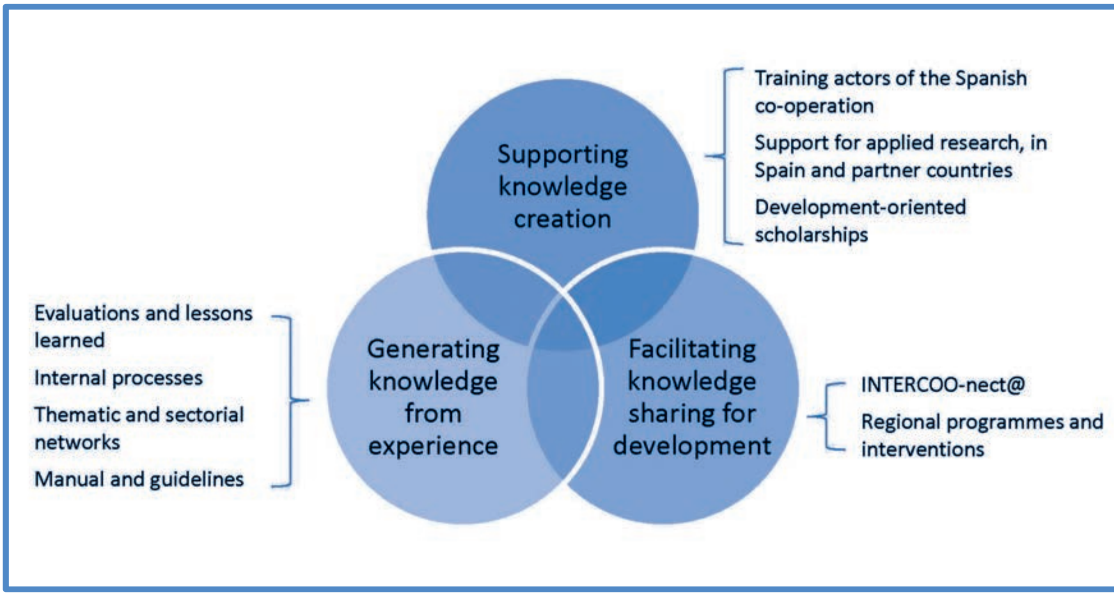
To expand the use of evaluation findings, a reference group is formed for each centralised evaluation. It brings together people from the units concerned and other relevant stakeholders. Spain is also developing a management response for each evaluation. They include an assessment of the evaluation; a formal, publicly communicated reaction; and, an internal improvement plan. No follow-up mechanism of the commitments made in the responses is yet in place, however.

Finally, the Development Co-operation Council's working group on monitoring and evaluation is helping to foster an evaluation culture – especially at the operational level. Nevertheless, there is still room for improvement, as evidenced by the lack of demand for more strategic evaluations by management. The influence of the working group could be stronger if it were able to provide technical advice.

A clear vision for knowledge management

Spain has a clear vision for knowledge management, set out in the IV Master Plan. To make that vision a reality, it has made strides in generating, creating and applying knowledge (Figure 6.1). The agency has had successful experience in knowledge sharing with staff – through theme- and sector-based networks and an online collaborative platform – and with external partners through training centres. Its creation of three thematic hubs, together with regional programmes to promote knowledge sharing,[9] should also bring knowledge closer to the end user (Chapter 4). However, progress is limited in the area of knowledge creation where it has taken little action (Proeval, 2015).

Figure 6.1 AECID's approach to knowledge management



Source: AECID presentation during the peer review's visit to its head office, July 2014

Communication, accountability and development awareness

Indicator: The member communicates development results transparently and honestly

Despite progress towards greater transparency and better communication, Spain could communicate more openly on development results and risks. The ongoing evaluation of the Education for Development Strategy is an opportunity to refocus on global citizenship and revive its associated partnerships.

Some advances in transparency, but scope for improving timeliness and accuracy

Spain has become more transparent, climbing from 47th spot in 2013 in the Aid Transparency Index to 21st in 2014. In addition, its national commitment to transparency and accountability (SG, 2013), it has made strenuous efforts to make information available to the public, using different instruments targeting different audiences, and parliament. A web portal provides information on all actors of Spanish co-operation,[10] while the info@od platform publishes ODA flows reported to the OECD DAC's creditor reporting system.

The quality of information could be improved, however. Data are not always up to date – they lack precision at project level and there is no clear indication as to how project data inform general figures. In addition, website postings and reports to parliament are not always explicit on non-ODA flows or the mobilisation of private resources (Chapter 1).

Spain is missing opportunities to communicate results

Spain has improved communication by creating a single brand and adjusting its approach to different audiences. However, it does not currently communicate results and risks – partly because it does not have formalised risk analysis tools, effective results monitoring, or a systematic approach to or format for sharing success stories from the field. It is missing an opportunity to communicate to and engage with the general public, among the strongest supporters of development co-operation in the European Union.[11]

Education for development has lost momentum

Over the years, AECID has developed partnerships with the Ministry of Education, Culture and Sports as part of its drive to raise awareness of development (Box 6.1). The two are now actively involved in the "our world, our dignity, our future" project targeting 5 000 students. Its partnership with civil society, however, has suffered from budget cuts and the perception that education for development is used for communication and not to promote global citizenship. As the DAC peer review recommended in 2011 (OECD, 2013), an up-to-date, actionable plan for development education could help dispel that perception and afford the opportunity for fresh momentum. That action plan should take on board findings from the ongoing evaluation of the Education for Development Strategy and input from the Development Co-operation Council's Education for Development working groups and the autonomous regions.

Box 6.1 Vicente Ferrer National Award

The "Vicente Ferrer" Award for Development Education is financed by AECID and the Ministry of Education, Culture and Sport. It is a national prize aimed at pre-schools, primary, secondary and high schools, as well as vocational training and adult education centres. The objective is to promote the achievements of teachers who run educational projects, propose schemes to raise awareness, develop critical thinking, and encourage the active participation of students in bringing about a global, inclusive citizenry committed to the eradication of poverty and its causes and to sustainable human development.

Source: http://www.aecid.es/EN/aecid/education-and-awareness-development/the-national-education-award-for-development

Notes

1. That approach is now being piloted in six countries: Ecuador, Colombia, Guatemala, Morocco, Honduras and Senegal.

2. In addition to the working group already in place on the same topic.

3. Mid-term and ex-post.

4. The four pillars of the policy are to:
   - improve the articulation of the evaluation process on the Spanish co-operation system
   - increase the quality, credibility and usefulness of evaluations so as to promote learning and feedback
   - respond to the new challenges raised by the development agenda
   - enhance transparency and accountability.

5. The strategy tasks the Evaluation and Knowledge Management Division with:
   - programming, co-ordinating and monitoring strategic evaluations
   - issuing recommendations for the improvement of interventions, knowledge management, and the publication of evaluation reports
   - strengthening the evaluation system and culture in the Spanish development co-operation.

6. In addition to four civil servants.

7. The three-quarters of all evaluations includes those conducted as part of MOPAN.

8. More information on Evalpartners is available at: www.mymande.org/evalpartners.

9. One example is INTERCOO-nect@, the plan for transfer, exchange and knowledge management in Latin America.

10. In practice, 77% of the documents shared on the website come from the Ministry of Foreign Affairs and Co-operation and AECID.

11. According to the latest Eurobarometer, 90% of the Spanish population thinks it is fairly or very important to help people in developing countries. That viewpoint puts Spain in 7th place for public support for development in the European Union. Fifty-seven per cent also consider that tackling poverty in developing countries should be one of the main priorities of their national government, a stance that ranks Spain 2nd place after Sweden.

Bibliography

Government sources

AECID (2015), “Ficha Informativa: la Unidad de Planificación, Eficacia y Calidad de la Ayuda / UPEC” *(*Information Sheet: Planning, Effectiveness and Quality of Aid Unit / UPEC*)*, Agency for International Development Co-operation, Madrid.

MAEC (2013a), *Manual para el Establecimiento, Seguimiento y Evaluación de Marcos de Asociación País – Metodología (Handbook for the Creation, Monitoring and Evaluation of Country Partnership Frameworks – Methodology),* Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC (2013b), *Master Plan of the Spanish Co-operation 2013/2016*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2015a), *Memorandum of Spain for the Peer Review*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2015b), “Orientaciones para la Evaluación de Alianzas Público Privadas para el Desarrollo” (Guidelines for the Evaluation of Public Private Partnerships for Development), *Technical Note 02/2015*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2015c),”Orientaciones para la Evaluación de Iniciativas de Cooperación Triangular” (Guidelines for the Evaluation of Triangular Co-operation Initiatives), *Technical Note 01/2015*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2015d), *Plan Bienal de Evaluaciones 2015-2016 (Biennial Evaluation Plan 2015-2016)*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2014), *Informe Annual de Evaluación 2014 (*Annual Evaluation Report 2014*)*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2013a), *Plan Bienal de Evaluaciones 2013-2014 (*Biennial Evaluation Plan 2015-2016*)*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (2013b), *Spanish Co-operation Evaluation Policy*, Ministry of Foreign Affairs and Co-operation, Madrid.

MAEC/SGCID (undated), *Instrucciones sobre la Ficha de Calidad de las Evaluaciones (Instruction Sheet on Evaluation)*, Ministry of Foreign Affairs and Co-operation, Madrid.

Spanish Government (2013), Ley 19/2013, de 9 de Diciembre, de Transparencia, Acceso a la Información Pública y Buen Gobierno (Law 19/2013, 9 December, Transparency, Access to Public Information and Good Governance), BOE, Madrid.

Other sources

OECD (2013), *OECD Development Assistance Peer Reviews: Spain 2011*, OECD Publishing, Paris. DOI: http://dx.doi.org/10.1787/9789264117129-en.

Proeval (2015), *IV Plan Director de la Cooperación Española – Examen Intermedio (IV Master Plan of the Spanish Co-operation – Mid-Term Review)*, MAEC/SGCID, Madrid.

European Commission (2015), *“*The European Year for Development – Citizens’ views on development, co-operation and aid*”*, *Special Eurobarometer 421,* European Commission, Brussels, DOI: 10.2841/426390.

Chapter 7: Spain's humanitarian assistance

Strategic framework

Indicator: Clear political directives and strategies for resilience, response and recovery

Spain's humanitarian budget has suffered from sudden, significant cuts over the last four years, forcing a reduction in the scope and quality of the programme. As a consequence, Spain has had to think hard about where it can best add value with its limited humanitarian funds. The result is a more strategic approach concentrated on a small number of crises, complemented by active efforts in international humanitarian diplomacy – efforts that are highly appreciated by partners and other DAC members. There have also been negative impacts: limited resources hinder holistic programming, so affecting resilience building and recovery components, and the immediacy of the cuts significantly reduced the predictability of Spain's funding to partners. Spain could put greater effort into development programmes that address crisis drivers, perhaps by systematically including them in their Country Partnership Frameworks. In addition, the humanitarian budget – at only 4% of ODA – is unnecessarily low, particularly as public support is so strong. Spain could certainly allocate greater resources to this key area.

A strategic approach focused on adding value through international diplomacy and funding

Spain's humanitarian policy remains unchanged from the 2011 DAC peer review (OECD, 2013) and is still, therefore, based on fairly broad objectives. It has, however, refined those objectives in biannual strategic and individual operational plans for specific crisis contexts. In so doing, it has focused on areas where it can clearly add value, while actively seeking opportunities to bolster its involvement in humanitarian response with international humanitarian diplomacy – through its role as pen-holder for the Syria crisis in the United Nations Security Council, for example. Such global-level work is highly appreciated by partners. Spain confirms that its focus on a very principled – neutral and impartial – approach to humanitarian interventions in the field is important, enabling it to continue playing an effective role in international diplomacy; continuing this approach is encouraged.

Approach towards recovery is not systematic

While some partners report that Spanish funding does support holistic recovery programming – for example support to UNHCR's Transitional Solutions Initiative[1] for displaced communities in Colombia – others feel that Spain does not yet have a coherent approach to recovery programming. A more joined-up approach with its development programmes in protracted crises may help overcome this problem. One useful opportunity in that regard could be the systematic inclusion of humanitarian issues and crisis drivers in Country Partnership Frameworks[2].

Limited resources hinder the scope of resilience programming

Spain continues to co-finance some projects using a mix of humanitarian and development budget lines. It is a policy that helps support efforts to build longer-term resilience by harnessing different tools in pursuit of the same objective. In practice, however, most of Spain's resilience programming is targeted at disaster risk reduction and is fairly limited in scope – it is aimed chiefly at the Philippines and Latin American partner countries and often to strengthen medical response capacity. The peer review team heard of Spain'sintention to expand its resilience programming once it has the necessary budget resources; this is to be encouraged.

Severe budget cuts despite solid public support; significant repercussions on the scope and quality of the programme

Cuts to the humanitarian budget have, as across the rest of Spanish ODA (Chapter 3), been sudden and significant, leaving Spain insufficient resources to match its broad humanitarian ambitions. In 2009, Spain was the OECD DAC's ninth largest humanitarian donor, disbursing USD 384 million. By 2013, the budget had dropped to USD 35 million, putting it amongst the very smallest donors. In 2014, its allocations of supplementary funding in response to the Ebola outbreak, Syria and Iraq brought its total humanitarian budget up to EUR 56.8 million – or just 4% of total ODA.[3] There is scope here for greater effort: 15 DAC members devote more than 7% of their ODA to humanitarian programming, with ten of them allocating over 10%.[4] Spain could aim to match such a share.

The significant drop in budget is despite strong public support for humanitarian assistance. Eighty-eight per cent of Spanish people either fully support or tend to support the provision of humanitarian assistance despite the pressure on public finances (EC, 2015). And they give consistently and significantly. For example, one UN agency interviewed by the peer review team, receives more from the Spanish public each year than AECID is allocated for its entire humanitarian portfolio. Spanish NGOs also report high levels of public donations, especially for emergency situations.

Cuts have sorely affected the scope and quality of the humanitarian aid programme. They have, for example, forced the immediate withdrawal of support to multilateral partners working in the Democratic Republic of Congo and Sudan, leading to a significant reduction in predictability in the funding available to them.

Effective programme design

Indicator: Programmes target the highest risk to life and livelihood

Restricted resources have forced Spain to tighten up its funding allocations. It now focuses on four key sectors and nine protracted crises (down from 44). It also screens its partners carefully for their ability to deliver. As a result, Spain's humanitarian programme now has funding criteria that are well understood by all partners, and are clearly linked to areas of added value.

Funding criteria are clearly based on where Spain can add value and on partners who can deliver quality programmes

The budget cuts have also had some positive impacts, forcing AECID to look at where it can clearly add value with its humanitarian investments. The upshot is very tightly targeted funding allocations, with 70% of the overall budget now going to eight crisis countries and one cross-border situation (the Ebola epidemic) – down from 44 crisis countries in 2011. AECID has set aside the remainder for rapid-onset or rapidly escalating crisis situations.

When it comes to what to fund, Spain limits its interventions to the following sectors: protection, food security and nutrition, water, sanitation and hygiene, and health.

Spain chooses its partners for their ability to deliver. The criteria it uses to that end are sound technical capacity and appropriate accountability systems – all NGO partners, for example, must have framework partnership agreements with the European Commission.[5] As a result, Spain has narrowed its partner list down to four main multilateral partners,

OCHA, UNICEF, UNHCR, WFP; plus the Red Cross Movement, ICRC and IFRC, and six main Spanish NGO partners.[6]

Active monitoring for early warning

Spain has a network of humanitarian staff based in crisis countries and regions who monitor evolving situations and send out early warnings of new or escalating crises. However, like many other donors, Spain does not have tools designed specifically to ensure that early warnings are turned into early funding decisions. Integrating early response triggers into the rapid draw-down agreements with NGO partners could be a useful next step.

Participation of affected people is not yet part of Spain's programme

As with many other DAC members, ensuring the participation of affected communities in the programme cycle remains a challenge for Spain. Humanitarian donors do not often have opportunities to interact with affected people, but they can ensure participation by funding the training of partner organisation staff on how to include affected communities, and provide flexible funding that allows programmes to be altered on the basis of the feedback from communities.

Effective delivery, partnerships and instruments

Indicator: Delivery modalities and partnerships help deliver quality results

The 2011 peer review made a number of recommendations for improving Spain's programming tools and partnerships. They related to managing risk in Spain's very hands-on response model, to training and accrediting all actors in its rapid-response system, and to easing the administrative burden on partners, especially NGOs. Spain has made progress. Discontinuing bilateral responses in active conflict situations, for example, has reduced its exposure to risk, and two of its search-and-rescue teams now have international accreditation. Funding for protracted crises is tightly earmarked, which reduces the flexibility of partners' responses to evolving situations. Funding can be multiannual, though, which increases predictability. There is a wide range of rapid-response mechanisms for new and escalating crises. Spain is also involved in active outreach with other donors, in the field and at global level, to co-ordinate both operational and advocacy interventions. One challenge remains: the excessive administrative burden for NGO partners.

Spain has ended bilateral responses in complex emergencies and often earmarks funding for partners

The 2011 DAC peer review recommended that Spain look closely at the risk involved in its very hands-on humanitarian response model (OECD, 2013). Spain has acted accordingly and discontinued bilateral responses in active conflict situations. The move has significantly reduced the risk of misperceptions of the principled nature of Spanish humanitarian programming.

Today, Spain's tools for protracted crises include funding to partners that is usually earmarked, sometimes to activity level, and funding for pooled funds, including in Colombia, the Palestinian Authority and Syria. It can make use of multi-annual contracts of up to two years, although it seldom does so in practice, mostly because its budget is no longer predictable.

Spain also actively supports innovative action in protracted crisis settings. In partnership with its private sector, for example, it improves access to energy in refugee camps in Ethiopia[7] and finances cash-based assistance for Syrian refugees in Jordan and Lebanon. Such interventions are to be encouraged.

A broad range of rapid response mechanisms, a more professional bilateral response system, but legal obstacle deters development of health responses

The 2011 peer review found that Spain had an impressive range of rapid response mechanisms. However, it also recommended that, as it looked to professionalise its emergency response still further, Spain should seek appropriate international training and/or accreditation for all the actors in its response system (OECD, 2013). In response, two Spanish search and rescue teams have now obtained "medium" classification under the International Search and Rescue Advisory Group (INSARAG) external classification system.[8]

A range of other tools complement the bilateral response toolbox. Spain continues to manage two emergency response logistics depots and supports a third in Gran Canaria. It also continues to contribute to global pooled rapid-response funds like the United Nations Central Emergency Response Fund (CERF) and the Red Cross' Disaster Relief Emergency Fund (DREF). At the same time, it maintains rapid draw-down arrangements with four Spanish NGOs.

Partnerships with the humanitarian community are generally solid, although hindered by an excessive administrative burden

The final recommendation of the 2011 peer review was that Spain lighten the administrative load on NGO partners and introduce common partner monitoring mechanisms. Nevertheless, the administrative burden on partners remains excessive, limiting their ability to provide quality assistance. Spain is aware of the issue. It plans to simplify the regulations that govern grant procedures and address related issues such as the multiple audits required for all NGO grants. Spain also applies its own audit requirements into UN system grants in defiance of the UN's Single Audit Principle.[9] The legal wrangling that ensues significantly delays the finalisation of agreements and disbursement of funds. Speedy resolution of all the above issues is to be encouraged.

Partnership in other areas is solid, however. Indeed, Spain's partners appreciate its support and advocacy for issues such as humanitarian access in certain crisis situations. They commend its global humanitarian diplomacy, especially with regard to the Syrian crisis. Laudably, dialogue with partners is reported to be frank and open, although some partners would appreciate stronger Spanish engagement on their governing boards. Spain has also actively promoted better practices to ensure the safety of humanitarian workers in the wake of the kidnapping of Spanish aid workers in Sahrawi refugee camps in 2011. Again, its partners appreciate its stance.

There is active co-ordination with other donors on funding and advocacy

Spain reaches out to other donors on a range of issues. As a member of the European Union, Spain shares information through the Council's Working Party on Humanitarian Aid and Food Aid (known as COHAFA[10]). Staff in the field help co-ordinate day-to-day operations with other donors present in individual humanitarian crises. Spain also convenes the UN High Level Group on Syria with New Zealand and Jordan as part of efforts to find political solutions to the protracted crisis.

On a practical level, Spain informed the peer review team that it would like to see common indicators for responses to which all donors could sign up, so promoting more joined-up working.

Organisation fit for purpose

Indicator: Systems, structures, processes and people work together effectively and efficiently

There are close working relationships across government on major new humanitarian emergencies – chiefly sudden-onset disasters – and useful financial incentives and co-ordination structures to support more joined up work between AECID and the autonomous communities, and between different civil protection assets. The humanitarian team in Madrid are seen as knowledgeable, which facilitates good relations with foreign policy colleagues in the Ministry of Foreign Affairs and Co-operation. A broad field presence also helps to support partners and manage risk in day-to-day operations. However, the lack of an organisational model to create the conditions for a coherent "team Spain" approach in ongoing humanitarian crises could hinder coherent Spanish policy, advocacy and operations in these difficult operating environments.

A systematic "team Spain" approach to humanitarian crisis issues is still work in progress

Budget cuts have compelled government departments to work more closely together on humanitarian issues. They have also curbed fragmentation, as many actors in the Spanish system no longer have the budgets to operate internationally. New structures have also proven useful in different cases.

Crisis committees, for example, address serious sudden-onset disasters like Typhoon Haiyan in 2013 and health emergencies such as the Ebola outbreak in 2014. The committees direct the Ministry of Interior to co-ordinate civil protection responses, including from the autonomous communities. To encourage the autonomous communities to take part in joint programming, government has introduced incentives like the joint fund that has received EUR 1 million in seed money from AECID. Similarly, civil protection services work more closely together now that they conduct joint simulations and drills. AECID also participates in ad hoc working groups on different crises under the aegis of the National Security Council.

However, cross-government co-ordination structures really address only new or escalating crises. There are no such arrangements for fostering a coherent "team Spain" approach to ongoing humanitarian crises; a risk to coherent Spanish policy, advocacy and operations in difficult operating environments.

No issues in civil-military co-operation

Civil-military co-ordination was found to be satisfactory in this peer review period. Senior military officers continue to receive basic training in humanitarian principles prior to deployment, and simulation exercises include roles for NGOs. This is good practice.

An extensive field presence, supporting quality advocacy and operations

Unusually for a relatively small humanitarian donor, AECID has put in place a network of field based staff, with eight members in different locations at the time of the peer review. Partners see this as positive, especially in terms of political and advocacy support for operations and in building relationships. Spain believes that its field staff help manage the risk in its humanitarian portfolio – but lament the complicated, time-consuming contracting procedures for these staff.

In Madrid, the team is seen as knowledgeable, which has been particularly useful in promoting a good working relationship with foreign policy colleagues in the Ministry of Foreign Affairs and Co-operation. AECID's humanitarian team has also been instrumental in creating the agency's security management unit.

Results, learning and accountability

Indicator: Results are measured and communicated, and lessons learnt

AECID seeks to promote better reporting by its humanitarian partners, which it complements with monitoring by its field staff. It also practices a comprehensive, proactive approach to communication on the subject of its humanitarian programme and humanitarian issues. Other donors could learn from it. AECID does not yet have a system for monitoring its own performance as a good humanitarian donor, however.

AECID's performance is evaluated, but not actively monitored

AECID's humanitarian programme is subject to the same evaluation processes as the rest of its programmes (Chapter 6), with four humanitarian evaluations conducted over the peer review period.[11] However, it does not yet have verifiable indicators for monitoring and reporting on its own performance as a humanitarian donor. Plugging that gap would help AECID identify weaknesses in its system as it looks to the future and allow it to adjust its course in a timely manner.

A focus on improving partner accountability

Spain has been active in promoting better reporting by all partners, and is continuing those efforts with a 2015 project to improve reporting tools. AECID also monitors partners through a combination of formal reports and regular visits from field staff, chiefly for purposes of accountability to the Spanish taxpayer. Like many other donors, it is not clear how Spain shares lessons with partners, and uses monitoring to adapt its programmes as required.

Other donors could learn from Spain's proactive communications work

Spain has been very active in communicating the content of and results of its humanitarian programme to taxpayers, parliament and other stakeholders. All programme documents are available online and through social media. AECID collaborates with formal media – television and radio – to enable effective coverage of field programmes. There are regular public events – e.g. "Humanitarian Hardtalk Dialogues" – which have attracted major global figures from within the European Union, the UN system, and the Red Cross movement. Parliamentary interest is also very strong – AECID has fielded over 250 parliamentary questions in the last two years. Other donors could learn from Spain's approach.

Notes

1. Further information on UNHCR's Transitional Solutions Initiative is available at: www.unhcr.org/4e27e2f06.html .

2. Spain has decided not to include humanitarian issues in Country Partnership Frameworks as staff believe that this might jeopardise humanitarian principles. However, if Spain's programme is also to address crisis drivers, and not just respond to crises, it would be useful to have these included as part of the development programme.

3. Figures provided by Spain – total estimated ODA for 2014 is EUR 1 424 million, of which EUR 56.8 million is humanitarian assistance (Spain, 2015), or 4%.

4. Canada, Finland, Ireland, Italy, Luxembourg, Norway, Sweden, Switzerland, the United Kingdom and the United States all allocated more than 10% of their ODA to humanitarian assistance in 2012.

5. More information on the European Commission's procedures for vetting partners for partnership agreements (which thus act as a *de facto* screening for Spanish humanitarian assistance) is available at: http://dgecho-partners-helpdesk.eu/partnership/start.

6. Spain has the following NGO partners: the four key partners – MSF-Spain, Oxfam Intermon, Acción Contra el Hambre, and the Spanish Red Cross; two NGOs that receive funding for ad hoc interventions; Save the Children; Caritas Spain; and other NGOs who may receive funding occasionally.

7. More on the project in the Shire refugee camps in Northern Ethiopia can be found at: www.itd.upm.es/download/appah/02_Project_Proposal_Energy_Partnership_Executive_Summary.pdf.

8. Emergencia Repuesta Inmediata Comunidad de Madrid (Madrid Community Immediate Emergency Response [ERICAM]) and Unidad Militar de Emergencia (Military Emergency Unit [UME]) were both graded "medium" by the INSARAG External Classification (IEC) system during the peer review period. For more information go to: http://www.insarag.org/en/iec/iec-leftmenu.html .

9. The United Nations system works on the Single Audit Principle, which means that external audits are conducted exclusively by the United Nations Board of Auditors, according to its work plan, and that the United Nations system will not entertain requests for audits by individual member states.

10. For further information about COHAFA, go to: www.consilium.europa.eu/en/council-eu/preparatory-bodies/working-party-humanitarian-aid-food-aid/.

11. Evaluations covered humanitarian assistance in the Palestinian Authority, Western Sahara with the Saharawi Population, Ethiopia, and Sudan.

Bibliography

Government sources

MAEC/SGCID (2015), "Memorandum of Spain for the 2015 Peer Review", Ministry of Foreign Affairs and Co-operation, Madrid.

Other sources

European Commission (2015), "Eurobarometer: Humanitarian Aid and Civil Protection", Eurobarometer Factsheet available at http://ec.europa.eu/echo/files/eurobarometer/2015/factsheets/ES_en.pdf .

OECD (2013), *OECD Development Assistance Peer Reviews: Spain 2011*, OECD Publishing, Paris. DOI: http://dx.doi.org/10.1787/9789264117129-en.

Annex A: Progress since the 2011 DAC peer review recommendations

Key issues: development beyond aid

Recommendation 2011	Progress in implementation
To monitor policy coherence development efforts in a way that informs and influences policy, Spain should: • Strengthen its capacity to analyse policies for coherence, and ensure that information about policy coherence analysis and decisions flows freely and effectively between existing bodies.	**Partially implemented**

Key issues: strategic orientations

Recommendations 2011	Progress in implementation
To increase its development impact, Spain should ensure its IV Master Plan (2013-2016): • Focuses on fewer countries, themes, and cross-cutting issues, and clearly prioritises among them. • Develops clear criteria for selecting partner countries, with particular regard to the aim of reducing poverty.	**Partially implemented** **Implemented**
To strengthen its strategic involvement with multilateral agencies and ensure it maximises the impact of Spanish multilateral aid, Spain should: • Use systematically the lessons from performance assessments and feedback from its field offices to guide its support to multilateral agencies.	**Partially implemented**

Key issues: aid volume, channels and allocations

Recommendation 2011	Progress in implementation
Using the pause in ODA growth and becoming more selective in how it allocates its aid could help Spain to improve the quality and effectiveness of its co-operation. To this end, Spain should: • Narrow the geographic focus of its development aid to allow greater concentration of resources on fewer partner countries.	**Partially implemented**

Key issues: organisation and management

Recommendations 2011	Progress in implementation
To use the full potential of all Spanish development actors and ensure co-ordination, Spain should:	
• Review how its co-ordinating bodies add value to development co-operation.	Not implemented
• Ensure that they work in a complementary way so that the outcomes of discussions inform technical, policy and strategic decision making across government.	Partially implemented
To increase transparency and cohesion, especially at country level, Spain should: • Ensure that all Spanish development actors, including sub-national ones, share information on their activities in the framework of co-operation at country level, and that partner country government at central and local levels are fully informed.	Partially implemented
In an economic context where "doing more with less" will become the norm; Spain needs clear criteria and policies to support decisions on how to deploy resources most effectively and efficiently. The Ministry of Foreign Affairs and Co-operation and AECID should:	
• Develop a human resource policy and a medium-term plan for staff mobility and rotation.	Not implemented
• Introduce an individual performance management system linked to organisational objectives and results.	Not implemented

Key issues: delivery and partnerships

Recommendations 2011	Progress in implementation
To make Spain's co-operation more effective, Spain should: • Ensure that field offices and all Ministries that spend ODA understand and use the new planning methodology and tools.	Partially implemented
To get better value for money from its official development assistance: • Spain should follow its schedule for untying the remainder of its tied aid at all levels of its administration.	Implemented
To build on Spain's engagement in middle-income countries, Spain should: • Make capacity building a goal in its country partnership frameworks, and collect and share Spanish lessons and experience with capacity development, especially in middle-income countries.	Implemented
To use the full potential of the government's relationship with Spanish NGOs, Spain should: • Lay out a clear policy outlining what it wants to achieve with, and through, development NGOs. • Further refine its funding instruments to ensure that ODA to and through NGOs is allocated strategically and ensures results.	Not implemented Partially implemented

Key issues: results management and accountability

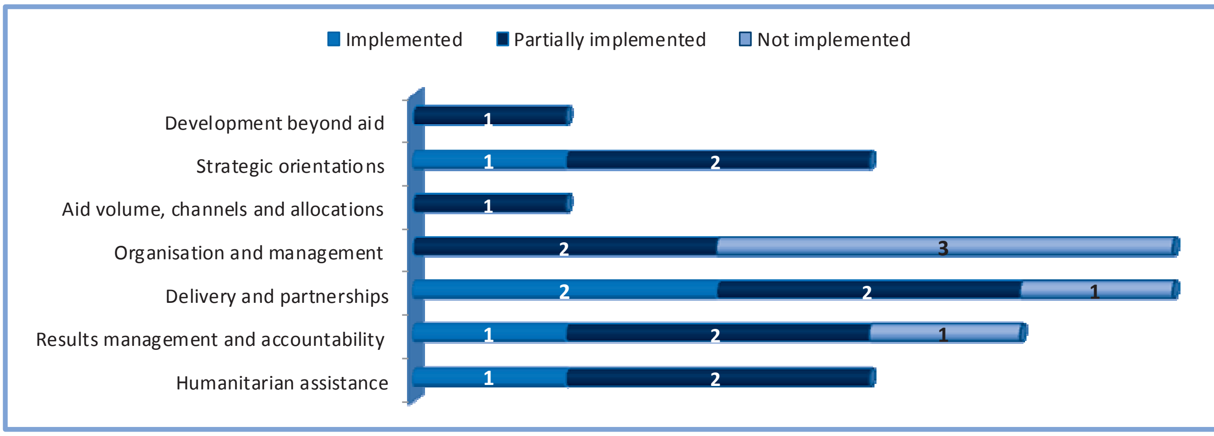
Recommendations 2011	Progress in implementation
To demonstrate results and promote a learning culture: • DGPOLDE (now SGCID) and AECID should roll out their tools for managing for development results in all country offices, and train staff to define targets and indicators that make it possible to monitor the impact of development assistance interventions. • Spanish co-operation should use the information on results that it gains from its evaluations to influence policy, programming and institutional learning and to inform the public.	Partially implemented Partially implemented
To maintain strong public support for aid and development, the government should: • Create an up-to-date actionable plan for development education and communication. • Increase the agency's specialist capacity in development communication.	Not implemented Implemented

Annex A: Progress since the 2011 DAC peer review recommendations

Key issues: humanitarian assistance

Recommendations 2011	Progress in implementation
To consolidate its considerable progress in humanitarian programming, Spain should:	
• Reduce the administrative burden on NGO partners, and introduce common funding and performance monitoring criteria for all NGO and multilateral partners.	Partiallly implemented
• Seek appropriate international training and/or accreditation for all actors within the Spanish response system.	Partially implemented
To reduce overall exposure to negative outcomes in complex humanitarian environments, Spain should:	
• Develop a systematic approach to the assessment, communication and management of programmatic risk.	Implemented

Figure A.1 Spain's implementation of the 2011 peer review recommendations



Annex B: OECD/DAC standard suite of tables

Table B.1 Total financial flows

USD million at current prices and exchange rates

Net disbursements

Spain	2000-2004	2005-2009	2010	2011	2012	2013	2014
Total official flows	**1 869**	**5 100**	**5 949**	**4 177**	**2 040**	**2 489**	**1 889**
Official development assistance	**1 808**	**5 085**	**5 949**	**4 173**	**2 037**	**2 348**	**1 879**
Bilateral	1 084	3 314	3 999	2 282	985	945	466
Multilateral	725	1 771	1 951	1 891	1 052	1 403	1 413
Other official flows	**60**	**15**	**-**	**4**	**2**	**141**	**10**
Bilateral	60	15	-	4	2	14	3
Multilateral	-	-	-	-	-	126	7
Net Private Grants	**-**	**-**	**-**	**-**	**0**	**0**	**-**
Private flows at market terms	**10 650**	**11 402**	**4 391**	**15 968**	**- 63**	**5 498**	**11 788**
Bilateral: *of which*	10 650	11 402	4 391	15 968	- 63	5 498	11 788
Direct investment	10 845	11 604	4 704	15 982	-	5 739	11 788
Export credits	- 195	- 203	- 313	- 14	- 63	- 241	-
Multilateral	-	-	-	-	-	-	-
Total flows	**12 519**	**16 502**	**10 340**	**20 145**	**1 977**	**7 987**	**13 677**
for reference:							
ODA (at constant 2013 USD million)	*2 901*	*5 166*	*6 023*	*4 021*	*2 119*	*2 348*	*1 878*
ODA (as a % of GNI)	*0.25*	*0.38*	*0.43*	*0.29*	*0.16*	*0.17*	*0.13*
Total flows (as a % of GNI) (a)	*1.72*	*1.23*	*0.74*	*1.38*	*0.15*	*0.59*	*0.98*
ODA to and channelled through NGOs							
- In USD million	286	907	952	702	408	352	244
- In percentage of total net ODA	16	18	16	17	20	15	13
- DAC countries' average % of total net ODA	*9*	*7*	*9*	*13*	*13*	*13*	-

a. To countries eligible for ODA.

ODA net disbursements
At constant 2013 prices and exchange rates and as a share of GNI

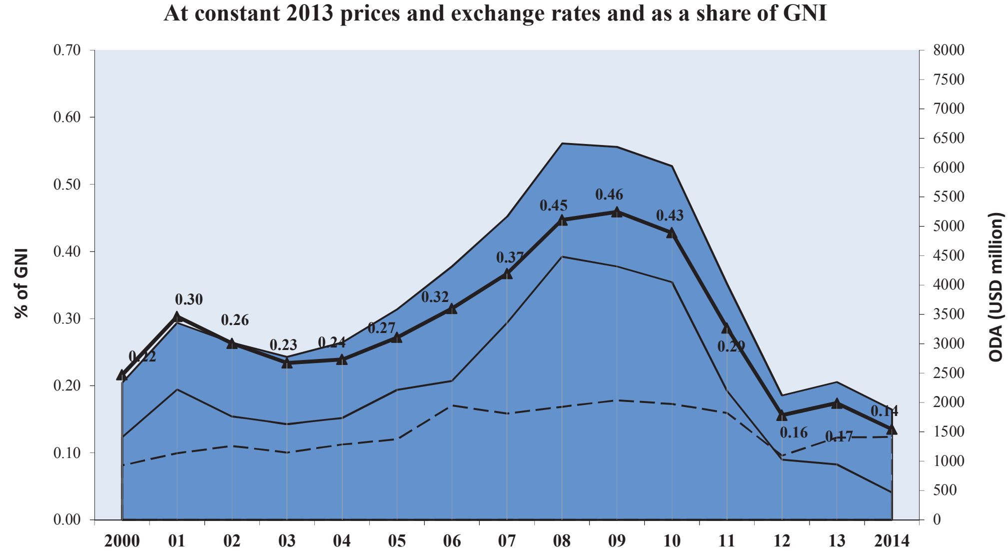
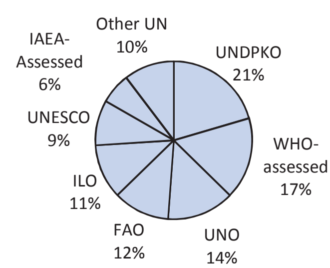
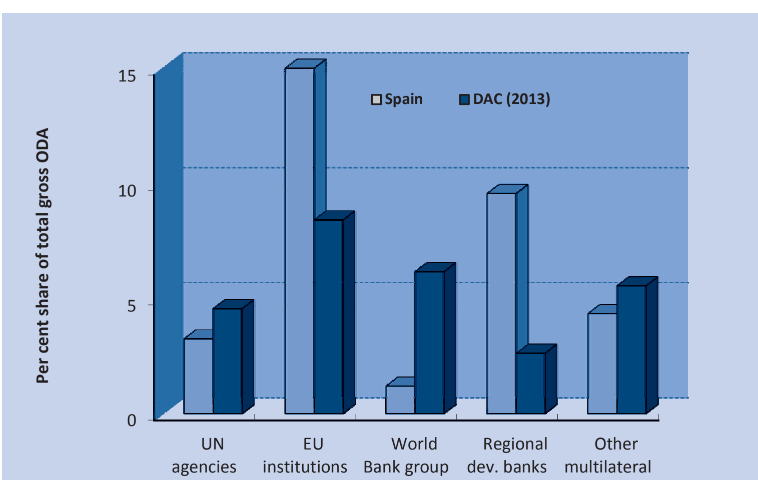


Table B.2 ODA by main categories

Disbursements

Spain	Constant 2013 USD million					Per cent share of gross disbursements					Total DAC 2013%
	2010	2011	2012	2013	2014	2010	2011	2012	2013	2014	
Gross Bilateral ODA	**4 420**	**2 491**	**1 114**	**1 174**	**708**	**69**	**58**	**50**	**46**	**33**	**73**
Budget support	264	59	11	33	14	4	1	0	1	1	4
of which: General budget support	102	15	4	10	1	2	0	0	0	0	3
Core contributions & pooled prog.& funds	1 290	516	155	67	104	20	12	7	3	5	13
of which: Core support to national NGOs	34	7	3	2	3	1	0	0	0	0	1
Core support to international NGOs	12	7	0	1	1	0	0	0	0	0	1
Core support to PPPs	1	9	1	1	2	0	0	0	0	0	0
Project-type interventions	1 985	1 407	548	588	372	31	33	25	23	18	38
of which: Investment projects	883	578	175	180	96	14	13	8	7	5	12
Experts and other technical assistance	81	177	61	38	31	1	4	3	1	1	4
Scholarships and student costs in donor countries	60	7	17	14	10	1	0	1	1	0	2
of which: Imputed student costs	42	-	0	0	0	1	-	0	0	0	1
Debt relief grants	438	37	76	242	-	7	1	3	9	-	4
Administrative costs	176	187	177	136	129	3	4	8	5	6	4
Other in-donor expenditures	127	102	67	55	47	2	2	3	2	2	3
of which: refugees in donor countries	38	34	24	25	18						
Gross Multilateral ODA	**1 975**	**1 822**	**1 094**	**1 403**	**1 412**	**31**	**42**	**50**	**54**	**67**	**27**
UN agencies	291	225	67	128	69	5	5	3	5	3	5
EU institutions	1 025	1 114	997	1 033	1 024	16	26	45	40	48	8
World Bank group	275	277	-	53	25	4	6	-	2	1	6
Regional development banks	168	169	-	143	203	3	4	-	6	10	3
Other multilateral	216	38	30	46	92	3	1	1	2	4	6
Total gross ODA	**6 395**	**4 313**	**2 208**	**2 577**	**2 120**	**100**	**100**	**100**	**100**	**100**	**100**
Repayments and debt cancellation	**- 372**	**- 293**	**- 89**	**- 229**	**- 241**						
Total net ODA	**6 023**	**4 021**	**2 119**	**2 348**	**1 878**						
For reference:											
Free standing technical co-operation	*681*	*493*	*427*	*146*	*77*						
Net debt relief	*343*	*29*	*79*	*244*	*-*						





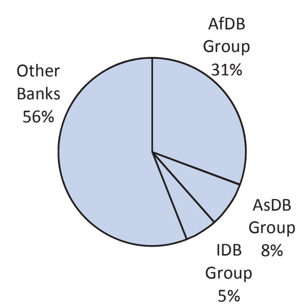
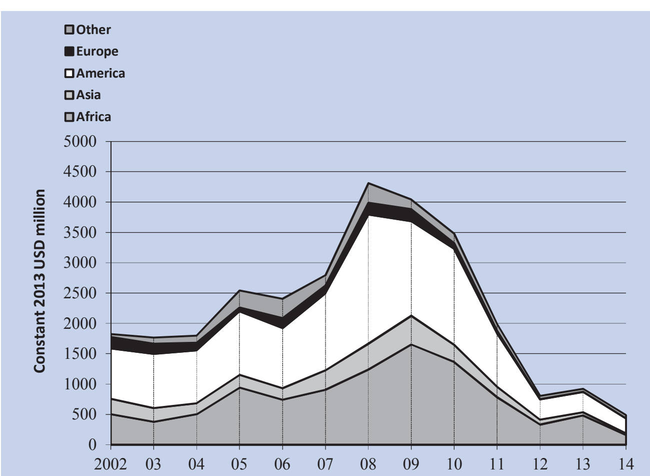
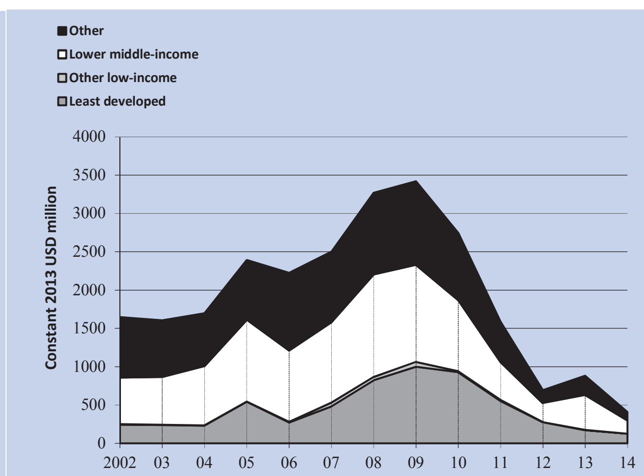


Table B.3 Bilateral ODA allocable by region and income group

Gross disbursements

Spain	Constant 2013 USD million					% share					Total DAC
	2010	2011	2012	2013	2014	2010	2011	2012	2013	2014	2013%
Africa	1 363	784	333	484	161	39	39	41	52	33	**40**
Sub-Saharan Africa	930	440	266	397	128	27	22	33	43	26	**35**
North Africa	360	328	52	85	31	10	16	6	9	6	**4**
Asia	285	174	81	52	26	8	9	10	6	5	**37**
South and Central Asia	123	76	40	27	13	4	4	5	3	3	**24**
Far East	154	90	41	25	13	4	5	5	3	3	**12**
America	1 578	873	334	336	244	45	44	41	36	50	**9**
North and Central America	714	408	170	152	129	21	21	21	16	26	**4**
South America	565	301	150	169	101	16	15	19	18	21	**4**
Middle East	152	110	54	48	52	4	6	7	5	11	**9**
Oceania	5	0	0	0	0	0	0	0	0	0	**2**
Europe	99	47	5	4	6	3	2	1	0	1	**3**
Total bilateral allocable by region	**3 482**	**1 988**	**807**	**923**	**490**	**100**	**100**	**100**	**100**	**100**	**100**
Least developed	926	550	274	171	125	34	35	39	19	31	**45**
Other low-income	13	16	1	2	1	0	1	0	0	0	**4**
Lower middle-income	926	492	250	457	168	34	31	36	52	41	**33**
Upper middle-income	882	531	169	251	115	32	33	24	29	28	**18**
More advanced developing countries	1	0	-	-	-	0	0	-	-	-	**0**
Total bilateral allocable by income	**2 748**	**1 589**	**695**	**880**	**409**	**100**	**100**	**100**	**100**	**100**	**100**
For reference:											
Total bilateral	*4 420*	*2 491*	*1 114*	*1 174*	*706*	*100*	*100*	*100*	*100*	*100*	***100***
of which: Unallocated by region	*938*	*503*	*308*	*251*	*217*	*21*	*20*	*28*	*21*	*31*	***24***
of which: Unallocated by income	*1 672*	*902*	*420*	*294*	*297*	*38*	*36*	*38*	*25*	*42*	***31***





1. Each region includes regional amounts which cannot be allocated by sub-region. The sum of the sub-regional amounts may therefore fall short of the regional total.

Table B.4 Main recipients of bilateral ODA

Gross disbursements

Spain	2003-07 average Current USD million	Constant 2013 USD mln	% share	Memo: DAC countries' average %
Guatemala	112	123	5	
Nicaragua	107	128	5	
Iraq	100	117	4	
Honduras	99	116	4	
Morocco	80	92	3	
Top 5 recipients	**498**	**576**	**22**	**50**
Peru	78	90	3	
Bolivia	71	86	3	
China (People's Republic of)	66	78	3	
Ecuador	57	67	3	
Algeria	53	59	2	
Top 10 recipients	**823**	**956**	**36**	**68**
Turkey	51	60	2	
Colombia	46	53	2	
El Salvador	43	50	2	
Senegal	43	50	2	
Madagascar	39	46	2	
Top 15 recipients	**1 044**	**1 214**	**45**	**76**
West Bank and Gaza Strip	38	43	2	
Mozambique	35	40	2	
Dominican Republic	30	35	1	
Nigeria	28	32	1	
Congo	28	33	1	
Top 20 recipients	**1 202**	**1 398**	**52**	**80**
Total (129 recipients)	**1 802**	**2 094**	**78**	
Unallocated	497	558	22	5
Total bilateral gross	**2 299**	**2 652**	**100**	**100**

	2008-12 average Current USD million	Constant 2013 USD mln	% share	Memo: DAC countries' average %
Morocco	116	112	3	
Guatemala	106	102	3	
Nicaragua	104	100	3	
Peru	93	90	3	
Haiti	91	90	2	
Top 5 recipients	**510**	**495**	**14**	**37**
Democratic Republic of the Congo	88	88	2	
Honduras	88	84	2	
Bolivia	85	84	2	
Tunisia	81	80	2	
Colombia	79	77	2	
Top 10 recipients	**931**	**907**	**25**	**51**
West Bank and Gaza Strip	77	75	2	
El Salvador	73	71	2	
Afghanistan	64	62	2	
Ecuador	60	59	2	
Turkey	59	57	2	
Top 15 recipients	**1 265**	**1 231**	**35**	**55**
Senegal	58	56	2	
Mozambique	54	52	1	
Ethiopia	50	49	1	
China (People's Republic of)	46	44	1	
Dominican Republic	43	42	1	
Top 20 recipients	**1 516**	**1 474**	**41**	**58**
Total (135 recipients)	**2 417**	**2 345**	**66**	
Unallocated	1 245	1 211	34	24
Total bilateral gross	**3 662**	**3 556**	**100**	**100**

	2013-14 average Current USD million	Constant 2013 USD mln	% share	Memo: DAC countries'[1] average %
Côte d'Ivoire	118	118	13	
Peru	41	41	4	
Colombia	33	33	4	
Morocco	33	33	4	
El Salvador	28	28	3	
Top 5 recipients	**253**	**253**	**27**	**36**
Bolivia	23	23	2	
Nicaragua	21	21	2	
West Bank and Gaza Strip	19	19	2	
Ecuador	18	18	2	
Mali	17	17	2	
Top 10 recipients	**351**	**351**	**37**	**50**
Senegal	16	16	2	
Guatemala	16	16	2	
Tunisia	16	16	2	
Mozambique	15	15	2	
Dominican Republic	14	14	1	
Top 15 recipients	**429**	**429**	**46**	**57**
Afghanistan	12	12	1	
Mauritania	12	12	1	
Syrian Arab Republic	12	12	1	
Niger	12	12	1	
Philippines	10	10	1	
Top 20 recipients	**487**	**487**	**52**	**61**
Total (120 recipients)	**645**	**645**	**69**	
Unallocated	296	296	31	28
Total bilateral gross	**941**	**941**	**100**	**100**

1. 2012-13

Table B.5 Bilateral ODA by major purposes

at constant prices and exchange rates

Commitments - Two-year average

Spain	2003-2007 average 2013 USD million	2003-2007 average Per cent	2008-12 average 2013 USD million	2008-12 average Per cent	2013-14 average 2013 USD million	2013-14 average Per cent	2012-13 Total DAC per cent
Social infrastructure & services	**971**	**39**	**1 478**	**44**	**369**	**43**	**39**
Education	250	10	313	9	69	8	8
of which: basic education	66	3	101	3	8	1	2
Health	143	6	194	6	58	7	6
of which: basic health	112	4	118	3	24	3	4
Population & reproductive health	34	1	82	2	18	2	7
Water supply & sanitation	92	4	318	9	64	7	6
Government & civil society	232	9	389	12	121	14	12
of which: Conflict, peace & security	40	2	52	2	28	3	2
Other social infrastructure & services	220	9	182	5	39	5	2
Economic infrastructure & services	**320**	**13**	**353**	**10**	**20**	**2**	**18**
Transport & storage	166	7	105	3	1	0	8
Communications	15	1	6	0	0	0	0
Energy	56	2	112	3	8	1	6
Banking & financial services	77	3	79	2	9	1	2
Business & other services	6	0	52	2	2	0	1
Production sectors	**145**	**6**	**369**	**11**	**93**	**11**	**7**
Agriculture, forestry & fishing	97	4	241	7	81	9	5
Industry, mining & construction	36	1	117	3	10	1	1
Trade & tourism	12	0	10	0	2	0	1
Multisector	**232**	**9**	**292**	**9**	**38**	**4**	**9**
Commodity and programme aid	**35**	**1**	**99**	**3**	**13**	**1**	**4**
Action relating to debt	**530**	**21**	**267**	**8**	**122**	**14**	**3**
Humanitarian aid	**142**	**6**	**299**	**9**	**64**	**7**	**9**
Administrative costs of donors	**115**	**5**	**187**	**6**	**122**	**14**	**6**
Refugees in donor countries	**27**	**1**	**27**	**1**	**24**	**3**	**4**
Total bilateral allocable	**2 517**	**100**	**3 370**	**100**	**865**	**100**	**100**
For reference:							
Total bilateral	*2 652*	*64*	*3 584*	*65*	*916*	*40*	*74*
of which: Unallocated	*134*	*3*	*214*	*4*	*51*	*2*	*1*
Total multilateral	*1 512*	*36*	*1 961*	*35*	*1 373*	*60*	*26*
Total ODA	***4 164***	***100***	***5 545***	***100***	***2 288***	***100***	***100***

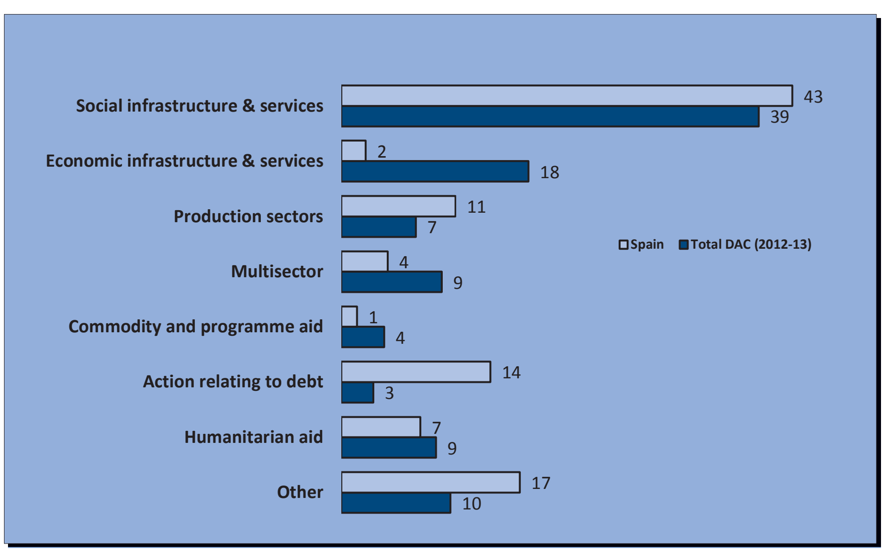


Table B.6 Comparative aid performance

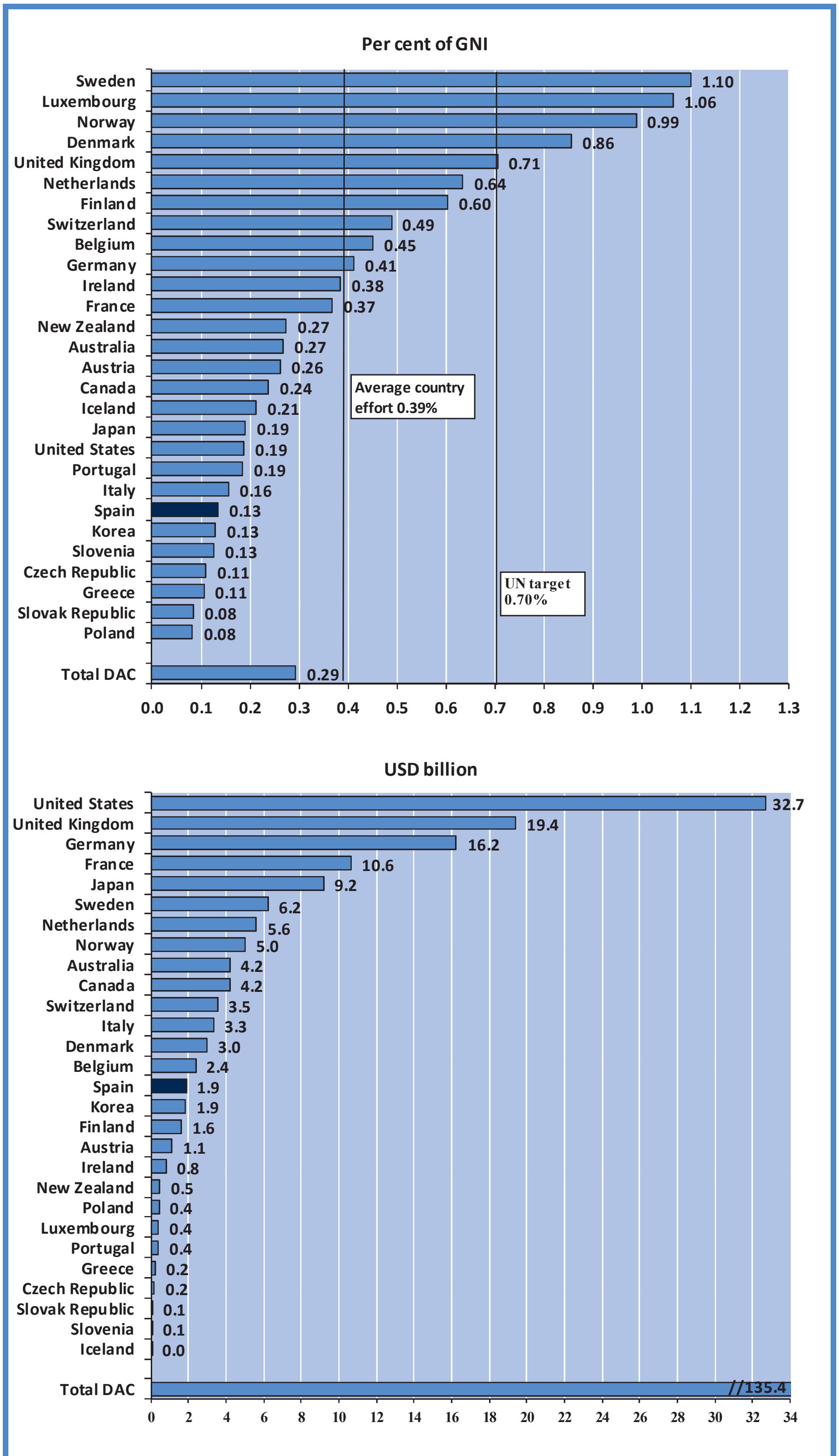
Net disbursements

	Official development assistance			Grant element of ODA (commitments)	Share of multilateral aid				ODA to LDCs Bilateral and through multilateral agencies	
	2013		2007-08 to 2012-13 Average annual % change in real terms	2013	2013				2013	
					% of ODA		% of GNI			
	USD million	% of GNI		% (a)	(b)	(c)	(b)	(c)	% of ODA	% of GNI
Australia	4 846	0.33	5.8	99.9	14.4		0.05		26.8	0.09
Austria	1 171	0.27	-8.5	100.0	53.6	28.1	0.15	0.08	29.1	0.08
Belgium	2 300	0.45	1.0	99.8	43.2	21.6	0.20	0.10	35.3	0.16
Canada	4 947	0.27	0.8	100.0	29.0		0.08		37.3	0.10
Czech Republic	211	0.11	0.3	100.0	73.0	16.9	0.08	0.02	24.7	0.03
Denmark	2 927	0.85	0.5	100.0	27.1	18.2	0.23	0.15	31.6	0.27
Finland	1 435	0.54	4.6	100.0	42.7	28.9	0.23	0.15	35.4	0.19
France	11 339	0.41	2.9	84.4	40.0	20.0	0.16	0.08	28.6	0.12
Germany	14 228	0.38	0.8	86.9	33.6	15.2	0.13	0.06	23.6	0.09
Greece	239	0.10	-13.5	100.0	81.8	6.5	0.08	0.01	18.7	0.02
Iceland	35	0.25	-4.7	100.0	15.8		0.04		46.0	0.12
Ireland	846	0.46	-5.9	100.0	35.5	20.0	0.16	0.09	50.3	0.23
Italy	3 430	0.17	-6.9	99.8	74.7	27.9	0.12	0.05	27.9	0.05
Japan	11 582	0.23	2.1	89.1	25.6		0.06		60.4	0.14
Korea	1 755	0.13	16.8	95.1	25.4		0.03		40.5	0.05
Luxembourg	429	1.00	-0.8	100.0	30.4	21.5	0.30	0.22	37.9	0.38
Netherlands	5 435	0.67	-3.1	100.0	32.9	21.0	0.22	0.14	25.1	0.17
New Zealand	457	0.26	1.7	100.0	23.3		0.06		27.6	0.07
Norway	5 581	1.07	2.7	100.0	22.7		0.24		27.6	0.30
Poland	487	0.10	5.9	..	73.9	5.9	0.07	0.01	25.6	0.02
Portugal	488	0.23	0.6	87.7	38.0	5.8	0.09	0.01	29.3	0.07
Slovak Republic	86	0.09	0.2	100.0	81.2	12.1	0.08	0.01	24.3	0.02
Slovenia	62	0.13	-0.1	100.0	66.5	12.7	0.09	0.02	17.5	0.02
Spain	2 348	0.17	-17.3	100.0	59.8	15.8	0.10	0.03	19.1	0.03
Sweden	5 827	1.01	2.2	100.0	32.8	26.4	0.33	0.27	30.9	0.31
Switzerland	3 200	0.45	6.1	100.0	21.7		0.10		25.8	0.12
United Kingdom	17 871	0.70	9.9	100.0	41.0	30.3	0.29	0.21	34.7	0.24
United States	31 267	0.18	3.6	100.0	15.7		0.03		34.6	0.06
Total DAC	**134 832**	**0.30**	**1.9**	**95.1**	**30.6**		**0.09**		**33.5**	**0.10**
Memo: Average country effort		0.39								

Notes:

a. Excluding debt reorganisation.
b. Including EU institutions.
c. Excluding EU institutions.
.. Data not available.

Figure B.1 Net ODA from DAC countries in 2013



Annex C: Field visit to El Salvador

As part of the peer review of Spain, a team of examiners from Germany and the United Kingdom and an observer from Chile visited El Salvador in July 2015. In the country, the team met with Spanish officials from central government and autonomous communities, representatives of Salvadorian national and local governments, officials from bilateral and multilateral partners, and representatives from Spanish and Salvadorian civil society organisations.

Towards a comprehensive Spanish development effort

A 26 year-old partnership between Spain and El Salvador

Since the 1992 peace agreement, which brought to a close a decade of civil war, El Salvador has made significant progress in maintaining stability and democracy, with a steady drop in rates of poverty and inequality. Nonetheless, the global financial crisis in 2008 adversely affected progress with a drop in exports and remittances[1] and rises in unemployment, poverty, and food and energy prices up to 2012. El Salvador is recovering slowly. Crime and violence still threaten social development and economic growth and damage quality of life. The country also remains extremely vulnerable to natural disasters, exacerbated by environmental degradation and extreme climate variability.[2]

El Salvador is a lower middle-income country. net official development assistance (ODA) to the country fell by 40% between 2011 and 2013, amounting to 0.7% of GNI in 2013 (Figure C.1).

For the last 26 years, Spain has been a valued partner in El Salvador in trade and development co-operation.[3] It demonstrates a sound understanding of the Salvadorian context and has built strong relationships based on mutual trust. It engages in open dialogue, which it has sustained despite significantly cutting its ODA to El Salvador, and supports public policies at national and local levels. The fact that El Salvador was the first country to sign a Country Partnership Framework is illustrative of the close ties between the two countries.

Figure C.1 Aid to El Salvador at a glance

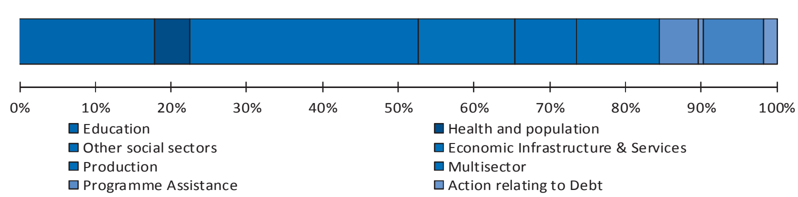
El Salvador

Receipts	2011	2012	2013
Net ODA (USD million)	286	230	171
Bilateral share (gross ODA)	84%	87%	76%
Net ODA / GNI	1.3%	1.0%	0.7%
Net Private flows (USD million)	182	113	1 139

For reference	2011	2012	2013
Population (million)	6.3	6.3	6.3
GNI per capita (Atlas USD)	3 490	3 600	3 720

	Top Ten Donors of gross ODA (2012-13 average)	(USD m)
1	United States	119
2	EU Institutions	28
3	Spain	27
4	Germany	26
5	Japan	21
6	Global Fund	11
7	Luxembourg	10
8	Korea	4
9	France	3
10	IDB Sp.Fund	3

Bilateral ODA by Sector (2012-13)



Sources: OECD - DAC, World Bank; www.oecd.org/dac/stats

Well co-ordinated, whole-of-government support which could, nevertheless, be more inclusive

Whilst development co-operation is Spain's most significant contribution to El Salvador, its whole-of-government support is well co-ordinated, under the leadership of the Ambassador. Security-related interventions are implemented with the support of the Interior Ministry, which provides technical assistance. The Economic and Commercial Office helps AECID to identify loans and projects related to climate change. Spain uses cultural activities as a driver of social transformation, which reinforces its development co-operation strategy.[4]

Current co-ordination structures, however, do not facilitate an inclusive and continuous dialogue with all Spanish stakeholders outside of planning for the Country Partnership Framework. NGOs and autonomous entities are not part of the different co-ordination groups and they perceive the Country Partnership Framework as a planning tool for the Spanish agency in El Salvador, not for their own programmes. One illustration, according to the Country Partnership Framework Mid-Term Review (MAEC/SGCID, 2014), is that few projects implemented by NGOs are aligned with the Country Partnership Framework.

Spain supports tax reforms but could do more on trade and investment

Because ODA accounts for only a limited share of the national budget, it is critical that Spain supports El Salvador's efforts to mobilise additional resources. However, this support has been confined to domestic resources. Under the current Country Partnership Framework, Spain has backed fiscal reform as one of its expected results. It also supports El Salvador's efforts to raise funds through the United Nations' credit lines for Nationally Appropriate Mitigation Actions.[5]

Despite efforts to steer investment from Spanish businesses towards development, a private sector perspective is absent from Spain's current development co-operation programme in El Salvador. That finding reflects that the private sector strategy in Spain's overall co-operation policy is at a relatively early stage of development. It also speaks of the political polarisation that working with the private sector in El Salvador entails.

Spain's policies, strategies and aid allocation

Spanish bilateral ODA is fully aligned with El Salvador's needs and priorities, and is focused on poverty reduction

Spain's engagement in El Salvador is framed by a four-year Country Partnership Framework which was developed in-country. Spain worked with El Salvador's Vice Ministry and Technical Office for Co-operation to develop the framework, which is based on Spain's comparative advantages, discussion with local and Spanish stakeholders, and alignment with the IV Master Plan's strategic guidelines. The strategy is also aligned with El Salvador's national cycle, as Spain postponed the design of its Country Partnership Framework until the publication of El Salvador's five-year development plan.

Spain's development co-operation policy is well tailored to El Salvador's lower middle-income context. It has a consistent focus on promoting social inclusion and poverty reduction. At the same time, Spain supports the Salvadorian government's efforts to strengthen its institutions, reform laws and public policies, and promote regional integration through the Central American Integration System (SICA).

Spain also adjusts its development co-operation instruments to its evolving relationship with El Salvador, shifting from its role as a traditional aid donor to one of strategic development partner. For example, it supports capacity building in its priority areas through constant support and dialogue, as well as triangular co-operation.

Box C.1 Donor co-ordination in El Salvador

El Salvador has been active in the aid effectiveness agenda since it signed the Paris Declaration. In 2009, it created the Vice-Ministry of Development Co-operation to co-ordinate, integrate and strengthen international co-operation and demonstrate government leadership on aid effectiveness. In 2010, the main development stakeholders signed a commitment to a national agenda for aid effectiveness based on the principles of the Paris Declaration. They then drafted the National Plan for Co-operation Effectiveness (PNEC).

The Vice-Ministry of Development Co-operation has also built a development co-operation information system from data that it gathered on:

- bilateral and multilateral development co-operation
- aid received in emergencies
- scholarships disclosed by the Ministry of Foreign Affairs
- decentralised and South-South co-operation
- good practices
- unofficial co-operation.

It is now working on a national decentralised co-operation strategy and a results framework for South-South co-operation and regional integration.

Apart from some sectoral working groups (*mesa de donantes*) that bring together representatives from the government and donor community, there is no overall forum for co-ordination. Discussions between partners remain mainly bilateral and focused on specific interventions. The number of interventions funded jointly by partners is also limited to fiscal reform and Communidades Solidarias Rurales Programme for families in extreme poverty. In that context, Spain has been a leader in promoting dialogue and joint work.

Source: MRE (2014), *Establecimiento de un Sistema Nacional Integrado de Cooperación para el Desarrollo : la Experiencia del Salvador*

Spain's support could be more tightly focused

To tighten its focus, Spain's co-operation with El Salvador addresses three priorities and nine associated results. The expected budget, covering both new programmes and previous commitments, is as follows:

- reduction of poverty, gender and economic inequality and social exclusion – between USD 99 and 179 million
- public administration reform – between USD 52 and 66 million
- building state policy and promoting social participation – between USD 60 and 70 million.

In practice, the broad definition of priorities and results produces a certain sector-based fragmentation of the portfolio. There is scope, in the next Country Partnership Framework, to further focus the development co-operation programme more clearly by determining more precise objectives and identifying synergies between activities and partnerships. Without such a focus, any limited additional resources for El Salvador may be spread too thinly.

Spain is committed to cross-cutting issues, but could implement more effectively

Spain is committed to the inclusion of the cross-cutting issues of gender, the environment and human rights in its programme. It has given gender equality a strong profile through dialogue, programming, and the creation of strategic partnerships in El Salvador, particularly with parliament. The focal point in charge of gender equality also received training to help make the issue a mainstream topic and design meaningful indicators. Similar efforts have been made to mainstream human rights, with the support of NGOs. There has been less progress in making the environment and climate change part of the mainstream, despite demand from Salvadorian counterparts. To deliver more effective mainstreaming, staff will need to be well equipped with the right skills and guidance.

Budgeting and programming support ownership and flexibility

Flexibility in budgeting and programming, enhanced by the autonomy of the co-operation office, helps Spain to be responsive to the needs of El Salvador and adjust its activities in a timely manner. The Country Partnership Framework was drafted with the support of a permanent co-ordination group in El Salvador and a steering committee in Madrid. As for annual budgets, they are drawn up in-country, with final approval coming from Madrid.

As long as the interventions remain part of the overall Country Partnership Framework, and changes are approved by El Salvador's Ministries of Finance and Co-operation, the agency can adjust interventions to evolving needs. For example, after the tropical storm of 2011, it reformulated a project from the water and sanitation fund in order to reach coastal areas and to include awareness raising.

Predictability is decreasing

The four-year framework has improved predictability (MAEC/SGCID, 2014). The direct link between each priority area and financing instruments helped the Salvadorian government to prioritise interventions with different actors and enabled medium-term financing. However, progress in making Spanish co-operation in El Salvador more predictable is being affected by recent changes in budgeting procedures. Multi-year commitments are now based on internal agreements in AECID and not on formal budgetary commitments.[6]

Spain uses country systems, though low execution affects results

The current systematic use of country systems supports strong government ownership, although this may change with the introduction of lending. However, the low levels of execution of disbursed funds affect results, programme management and budgeting. In addition to providing hands-on support to partners in planning and implementing programmes, Spain will need to continue to help them identify and overcome bottlenecks in execution.

Risk analysis is not systematic

In some areas, Spain requires stronger, more systematic, streamlined procedures. For example, there are limitations in its current approach to analysing and managing risk in the El Salvador country programme. Risk analysis and monitoring vary from one instrument to another and some reporting requirements do not appear to add value.

Organisation and management

Good co-ordination among key actors would benefit from clearer guidance

As already observed, Spain's whole of government support is well co-ordinated under the leadership of the Ambassador. Co-ordination with Madrid is facilitated by monthly videoconferences, yearly meetings for heads of overseas offices, sector and thematic networks, and quarterly reports with timely feedback from Madrid. The agency in El Salvador also has direct contact with the multilateral, humanitarian and culture divisions in AECID if need be. Co-ordination with the General Secretary for International Development Co-operation (SGCID) has also improved. However, clear and consistent oversight guidance from Madrid – focused on results and effective programme management – would increase efficiency and improve accountability.

Human resource practices risk undermining performance

The lack of a system-wide human resources strategy and system for performance management risk undermining effective programme delivery and organisational performance in El Salvador.

- It is not clear that Spain has been able to strike the right balance between generalist and specialist skills in delivering its objectives in El Salvador. Even though decisions to assign staff are taken in Madrid, the AECID office is not required to assess the human resources needed to deliver the new country plan.
- Staff in country offices have few opportunities for career development, promotion, or rotation. Locally employed staff are confined to administrative tasks even though they could bring useful knowledge and experience to programming.
- A performance management system that includes individual objective setting and transparent performance monitoring does not exist. Madrid monitors only the performance of the AECID co-ordinator. This affects motivation, career development and organisational performance.
- Despite efforts in Madrid to set up an online training provision on new, relevant themes, training opportunities and resources do not appear to benefit all staff equally, be they local or Spanish, and are not part of a strategy for career development.

Partnerships, results and accountability

Spain supports harmonisation, but partnerships with NGOs could improve

Spain has launched joint initiatives, such as budget support for the Communidades Solidarias Rurales Programme for families in extreme poverty, the joint programme for fiscal reform, and participates in European Union delegated co-operation operations. Despite budgetary constraints the agency continues to engage with multilateral donors and develop strong relationships with United Nations bodies.

The Country Partnership Framework – with indicators that measure the contribution of NGOs to El Salvador's development – is an interesting attempt to strengthen partnerships with civil society. However, current co-ordination structures do not facilitate continuous dialogue or shared planning. There is an opportunity to build on lessons from the current Country Partnership Framework, on the agency's close relationships with and the greater co-ordination amongst Spanish NGOs in El Salvador, to better include NGOs in the planning and monitoring of the next Country Partnership Framework.

Spain is taking its first steps in managing for results

Spain has made efforts to plan for results in the Country Partnership Framework, but is not yet managing for results. For each of the nine expected results, it defines one impact indicator using national statistics, associated with three process indicators. However, the chain of results between these process and impact indicators is not always clear. In addition, monitoring focuses on the intervention level and addresses administrative and financial issues rather than results. Additional efforts to develop useful indicators and monitoring tools are necessary, if results are to yield information that can be used for decision making.

The agency decision to conduct more strategic evaluations and limit project evaluations is a pragmatic one in the context of limited resources. The technical support from SGCID has facilitated this process.

Spain is missing opportunities to communicate

Spain has no systematic approach to or format for sharing with headquarters success stories from its experience of development co-operation in El Salvador. Nor does it have experts in communication in the field office that have the know-how to share knowledge internally and externally. As a result, it misses the opportunity to communicate with the general public. However, its efforts to conduct strategic evaluations jointly with El Salvador are a good example of its efforts to increase accountability.

Notes

1. In 2013, remittances amounted to 16% of GDP, compared to taxes and other revenues' 19% of GDP.

2. The latest tropical depression affected more than 1.4 million people, prompting large-scale emigration to neighbouring countries and the United States.

3. Spain is El Salvador's 10th largest import customer and its 7th biggest export supplier. Spain is also the 5th largest direct investor in El Salvador. El Salvador was Spain's 5th largest recipient of bilateral ODA in 2012-13, with a total amount of USD 27 million disbursed.

4. The innovative programme provides a broad range of cultural and social tools that local stakeholders can use to try to reduce tension, build trust and integration, and develop the economic potential of social and cultural enterprises.

5. With the support of the regional hub in Costa Rica and the Economic and Commercial Office in the Embassy, the agency helps the government formulate terms of reference and select private companies for implementation.

6. The Spanish Constitution requires parliamentary approval of international agreements that involve financial commitments for the Treasury (article 94).

Bibliography

Government sources

AECID (2012), *Marco de Asociación para el Desarrollo entre El Salvador y España 2010-2014 (*Country Performance Framework between El Salvador and Spain 2010-2014*)*, Agency for International Development Co-operation, San Salvador.

MAEC/SGCID (2014), *Revisión intermedia Marco de Asociación País El Salvador-España 2010-2014 (*Mid-Term Review Country Performance Framework between El Salvador and Spain 2010-2014*),* Ministry of Foreign Affairs and Co-operation, Madrid.

Other sources

Government of El Salvador (2010), *Plan Quinquenal de Desarrollo 2010-2014* (Five Year Development Plan 2010-2014), Government of El Salvador, San Salvador.

MRE (2014), *Establecimiento de un Sistema Nacional Integrado de Cooperación para el Desarrollo : la Experiencia del Salvador* (Implementation of an Integrated Development Co-operation National System: the Experience of El Salvador), Salvadorian Ministry of Foreign Relations, San Salvador.

MRE (2012), *Plan Nacional de Eficacia de la Cooperación en El Salvador* (National Plan for Effective Co-operation in El Salvador), Salvadorian Ministry of Foreign Relations, San Salvador.

Annex D: Organisational structure

Figure D.1 The Spanish aid system

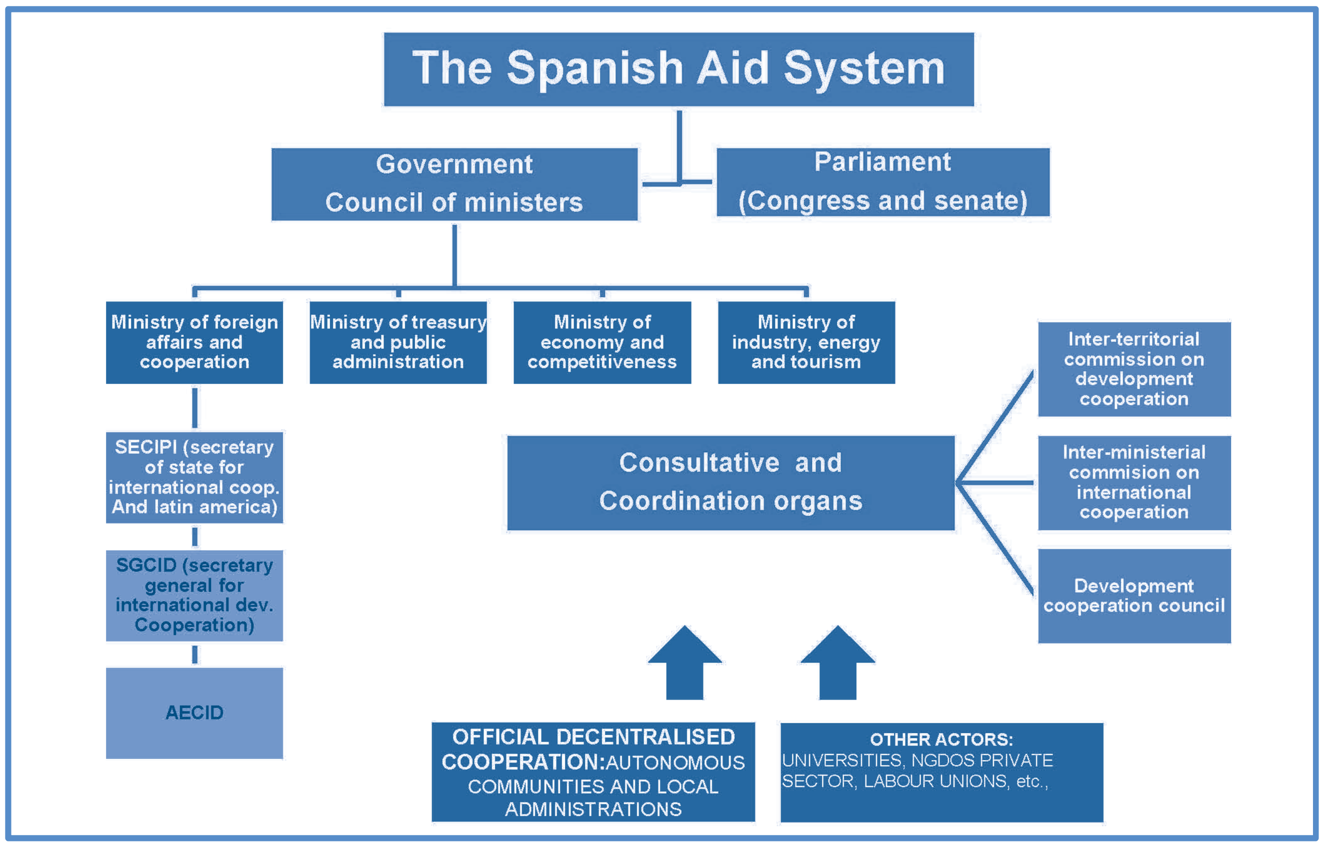


Figure D.2 General Secretariat for Development Co-operation

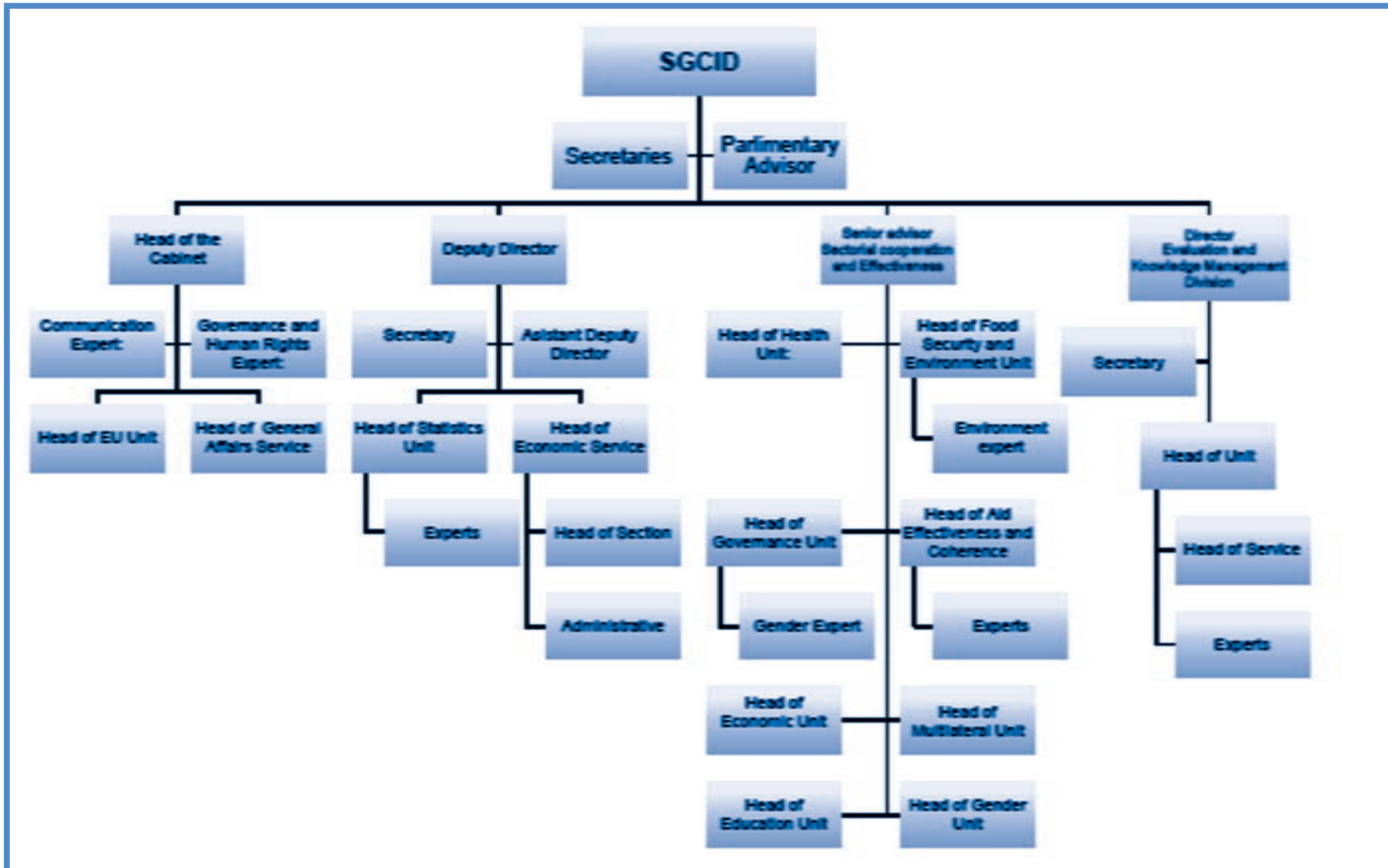
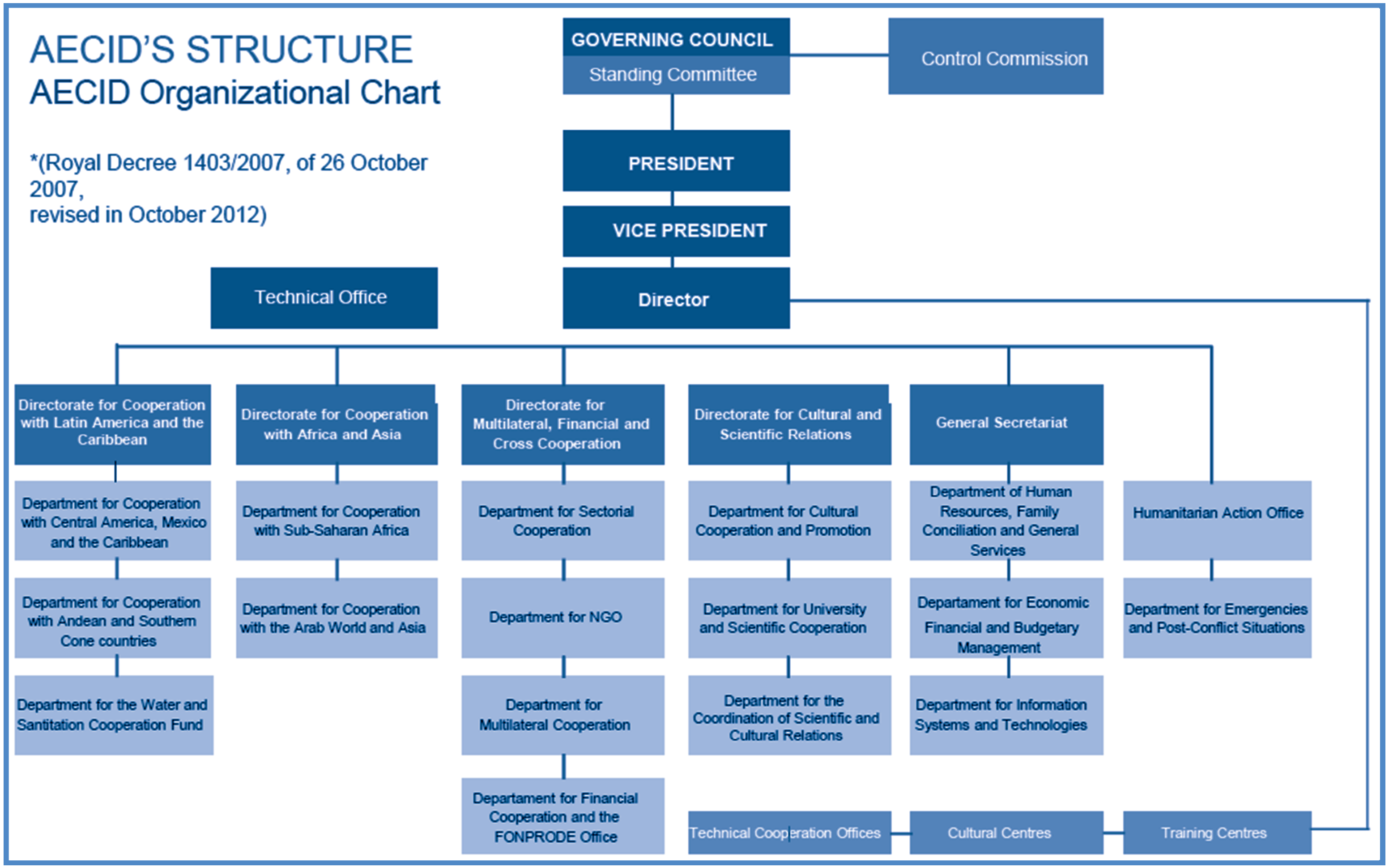


Figure D.3 AECID organisational chart



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

OECD PUBLISHING, 2, rue André-Pascal, 75775 PARIS CEDEX 16
(43 2016 02 1 P) ISBN 978-92-64-25116-8 – 2016

OECD Development Co-operation Peer Reviews

SPAIN

The OECD's Development Assistance Committee (DAC) conducts periodic reviews of the individual development co-operation efforts of DAC members. The policies and programmes of each member are critically examined approximately once every five years. DAC peer reviews assess the performance of a given member, not just that of its development co-operation agency, and examine both policy and implementation. They take an integrated, system-wide perspective on the development co-operation and humanitarian assistance activities of the member under review.

Contents

Consult this publication on line at ***http://dx.doi.org/10.1787/9789264251175-en.***

This work is published on the OECD iLibrary, which gathers all OECD books, periodicals and statistical databases. Visit ***www.oecd-ilibrary.org*** for more information.

OECD*publishing*
www.oecd.org/publishing

ISBN 978-92-64-25116-8
43 2016 02 1 P