Cooperación COORDINATION, EFFECTIVENESS Española AND IMPACT

KEY ASPECTS OF EU FUNDING DELEGATED TO SPAIN



Picture: AECID

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

One way of achieving this is through entities, such as the Spanish Agency for International Development Cooperation (AECID), certified by the European Commission to manage such development funds.

The European Union is the world's largest development cooperation donor. The wide-ranging and diverse challenges presented by international circumstances, and EU itself.

The management of funds delegated to AECID, **566 million euros in total**, has increased the

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

WHAT IS IT, THE DE-LEGATED COO-PERATION?

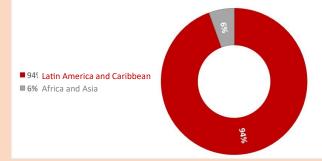
Delegated Cooperation is a means of providing Official Development Assistance (ODA). In it one or several agencies ("silent donors") entrust another (a "lead donor") with undertaking all or part of the activities of the aid.

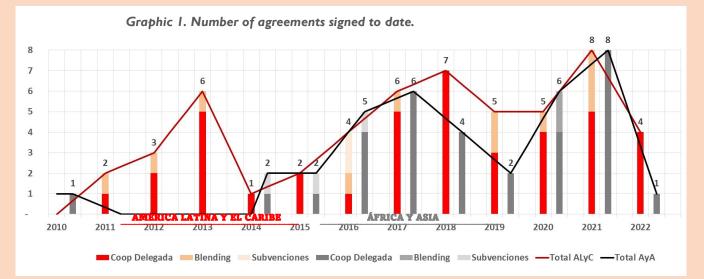
WHERE DO WE COOPERATE

Initially AECID's management of delegated funds was initially focused on **Latin America** – region that continues to present the highest accumulated total of delegated funding. However, the creation of the EU Regional Trust Fund, in Response to the Syrian Crisis ("the Madad Fund") in 2014, and of the European Union Emergency Trust Fund for stability and for addressing the root causes of irregular migration and displaced persons in Africa in 2015, raised the profile of **Africa and Asia**. In 2022 **5 agreements** per a total of **35.6 million** euros were signed:

- Latin America: 4 contribution agreements, 33.6 millions
- Africa and Asia: I contribution agreement, 2 millions

Graphic 2. Geographic distribution of delegated funds in 2022 (in Millions of euros).





ECUADOR "LAIF Contribution to the Technical Irrigation Project for Small and Medium Producers".



Thanks to this program

more than 1,500 small and medium-sized producers in Ecuador (Coast and Highlands) are now producing more and better, with an increased value and associative marketing without intermediaries. Local institutions have been strengthened. An improved management model has been established that incorporates peasant family farming and agroecological approach. Additionally, 1,300 people have been trained to improve the design and management of technified irrigation systems.

<u>TUNISIA</u>

"Tunisian Youth Support Program -EU4Youth".



The program seeks to

strengthen the inclusion and participation in public life of young Tunisians in vulnerable situations through creation, culture and sport. It is led by AECID in co-delegation with FIIAPP and the British Council, together with EUNIC as strategic allies. It is articulated in three lines: strengthening municipal public policies to generate spaces for consultation and innovation; support for civil society and youth actors; and development of employability and vocational training strategies.



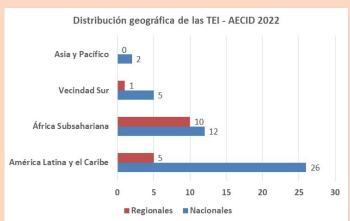
2022 has seen the consolidation of the Team Europe Approach, that seeks to define **synergies in the strategic interests of its members so that the resources donated in order to achieve a sustainable impact** in a country or region are optimized. In 2022 a total of 168 Team Europe Initiatives (TEI) were defined: 132 national, 32 regional and 4 global.

In 2022, AECID has movilized more than 1,700M€ in 64 TEI, distributed as follows:

TOTAL	64 TEI (45 natio- nal, 16 regional, 3 global)	I,700M€
Latin America and Carib- beadn	31 TEI (26 nat, 5 reg)	I,200M€
Subsaharan Africa	22 TEI (12 nat, 10 reg)	400M€
South Neighbourho od	6 TEI (5 nat, 1 reg)	95M€
Asia and Paci- fic	2 TEI (national)	7M€
Global	3 TEI	I2M€

GLOBAL GATEWAY

In 2022 the new European strategy Global Gateway has been launched. It seeks to promote smart, clean and safe investments in quality infrastructure that sustainably connect people, goods and services

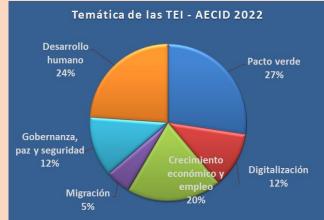


around the world . It aims to reduce the global investment gap around the world (G7 Leaders commitment, June 2021), acting in 5 key areas: digital, climate and energy, transport, health, and education and research. To this end, an investment of 300,000 million euros is planned for the period 2021-2027.



AECID contributes to some of the Global Gateway's flagship projects through infrastructure programs financed with FONPRODE funds. They also include social initiatives and the development of public policies, which are essential for the sustainability of the actions.

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



GLOBAL DATA

Today, the management of delegated funds is a key instrument for AECID. In December 2022 AECID had **52** ongoing agreements with a total of **350.9** million euros. In addition, **39** programmes have already been closed for a total of 215.6 million. Most of the projects – 87 out of 91 – are development initiatives formalized with the European Union, with AECID managing **561.1** million euros.

TYPES OF DELEGATED COOPERATION

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



PALESTINE, "Resilience and **Economic Growth through** Agriculture in Gaza." The program contributes to boosting employment, agriculture and agribusiness from specific groups: farmers who use irrigation with reclaimed water, producers in value chains with greater market potential, women's cooperatives and beneficiaries of ongoing income-generating initiatives. The local Gazan implementing partners are: Job Creation Programme -Presidency Bureau, Agricultural Development Association, Action Against Hunger – Palestine, Rural Women Development Society.

FONDOS UE 561,1 millones €

FONDOS OTROS EEMM 5,4 millones €

Delegated cooperation, a form of technical-financial cooperation entailing the transfer of both resources and the responsibility for oversight, is the modality most commonly used by AECID and its European partners – in 72 out of 91 operations formalized. This form of cooperation accounts for **70% of the total delegated funds managed, or 396.4 million euros.**

Blended cooperation combines repayable and non-repayable cooperation funds in order to leverage funds, with lower finance costs for the recipient. This form of financing represents 28.4% of the EU cooperation funds delegated to AECID—a total of 160.7 million euros deriving from 13 agreements.



<u>ETHIOPIA</u> Shire Alliance. "Energy Access for Host and Refugee Communities in the Shire."

Improving living conditions in the refugee camps of Kobe and Hilaweyn (Dollo Ado, Ethiopia's border with Somalia), increasing access to energy in homes and community services as well as outdoor lighting; reducing carbon emissions and improving the protection of women and children. It includes the promotion of businesses linked to solar energy among the refugee population and host communities. TOTAL FONDOS DELEGADOS 2010-2022 566,5 millones €

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

DELEGATED COOPERA-TION AND THE INTERNA-TIONAL DEVELOPMENT AGENDA

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

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

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