I. Scope of the Evaluation

The original purpose of this evaluation relies on several factors: A) **Timeliness**: Spain started its Programmatic Aid (PA) support 5 years ago (2005), based on the guidelines stated in the Director Plan III. B) **Financial resources**: During the 2005-10 period, there has been a significant increase in financial resources for Programmatic Aid (PA) interventions. This increase calls for a close look on its functioning and potential impact. The 2005 budget allocated 15 million Eur for PA interventions. Successive budgets raised it: in 2006 to 21 million Eur, in 2007 to 45 million Eur, and for 2008 and 2009 the budget allocated an annual average of approximately 70 million Eur. C) **International commitments**: the 2007 DAC Peer Review recommended AECID to adopt a more intense approach on the use of programmatic instruments. D) **Commitments included in the III AECID Director Plan**: The Director Plan states: “Programmatic Aid will be an id modality meant to channel a great volume of Official Development Assistance” (page 245). This is particularly important for the so-called Group A countries (Chapter 11: Geographical Priorities). E) **Indicators in AECID Management Contract**: the AECID Management Contract states that an Evaluation on AECID PA shall be carried out. The purpose of the evaluation according to the ToR are: the learning and improvement on the decision making process of managers and senior officers responsible for PA in the Foreign Affairs Ministry and AECID; Identify lessons learnt and best practices, as well as obstacles and challenges that could have hindered the implementation of PA interventions; provide specific and concrete recommendations, and where relevant, propose improvements in the existing procedures, guidelines and protocols for managing and designing AECID PA.

II. Evaluation Methodology and Phasing

The evaluation was carried out in three phases: i) **Desk phase**: information was collected and analysed. Key informants were identified. The Evaluation Framework and Methodology were set up according to instructions issued by the Evaluation Steering Committee, established by the DGPOLDE. ii) **Field Phase**: the evaluation team carried out a survey amongst Technical Cooperation Offices where PA interventions were being implemented. The evaluation team visited El Salvador, Bolivia and Ethiopia to analyse the study cases foreseen in the ToR. During the field visits, the team interviewed most of the key actors involved in the implementation of PA operations. In every country a complete debriefing was held at the Technical Cooperation Offices. This phase concluded with an extensive seminar at AECID headquarters in Madrid, in which the evaluation team shared its preliminary conclusions to AECID staff in order to facilitate a fruitful and participatory discussion over the key elements of the field phase. iii) **Analysis and Panel discussion**: the evaluation team selected an independent panel of experts, whose main task was providing inputs to the field phase findings. The conclusions of the panel analysis have been included in the final version of the Evaluation.

Addressing the information necessities of the main participants in the evaluation, the evaluation team designed an Evaluation Matrix based on 8 questions and several Assessment Criteria, which were approved by the Evaluation Steering Committee. The Evaluation matrix was designed to provide relevant information based on the following Assessment Criteria: Relevance, Efficiency, Effectiveness, Impact, Sustainability, Alignment, Harmonisation, Result based management and Accountability.

The overall evaluation exercise has been inductive, starting from evidence and factual observation and transitioning to general explanations. Based on the field visits and a desk analysis case (Vietnam), plus the survey outputs, the evaluation progressively turned towards wider issues as the institutional setting or the inclusion of Result Oriented Management at the policy level. For this purpose, all sources of information (survey, interviews, expert panel, data analysis) were crossed so to provide information at every level of analysis.

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1 Spanish: Comité de Seguimiento
2 Spanish: OTC - Oficina Técnica de Cooperación
3 Spanish: Criterios de Juicio.
Once all information was processed, the evaluation team addressed the three levels of analysis stated in the ToR: a) Quality of the design of the PA, b) Management of PA interventions, c) PA outputs at country and AECID level.

III. Programmatic Aid and Programme Based Approach: concept clarification needed.

Programmatic Aid, or Results Oriented Approach is defined by the DAC: “aid which shares the following features: (i) leadership by the host country or organisation; (ii) a single comprehensive programme and budget framework; (iii) a formalised process for donor co-ordination and harmonisation of donor procedures for reporting, budgeting, financial management and procurement; and (iv) efforts to increase the use of local systems for programme design and implementation, financial management, monitoring and evaluation ”. The programme-based approach is explicitly referred to in the Paris Declaration (indicator 9) as a preferential Aid Modality to channel Official Aid flows of signatory countries (target is 66% of ODA). Although indicator 9 of the Paris Declaration (Use of common arrangements or procedures) is intended to promote donor harmonisation, it also stands as an appropriate mean to measure donor efforts towards enhanced alignment and donor harmonisation. The principal aid delivery instruments used under the Programme Based Approach are General Budget Support, Sector Budget Support and Basket Funds. Nevertheless, some traditional projects and individual programmes may be considered as Programmatic Aid whenever consistent alignment and harmonisation amongst donors is enhanced in their design and implementation arrangements.

IV. Level 1: AECID Programmatic Aid Design

The analysis of the Design of Programmatic Aid shows significant progress over the time lapse examined (Evaluation Question 1, period 2005-10), although there is still room for improvement. One of the causes that have hindered a better design is the existing confusion between Budget Support (which refers to a specific Aid instrument) and Programmatic Aid (which refers to an Aid modality). Furthermore, the AECID Management Contract⁴ (2009-10) does not emphasize adequately the means by which the Programme Based Approach entrenches the whole intervention logic of Spanish Development Assistance, leading to a paradox in which the AECID Management Contract highlights the importance of increasing the resource allocation via Programmatic Aid interventions, but does not include sound orientation on how to insert the Programme Based Approach at institutional and policy level. As a consequence, the Programme-Based approach is represented by a number of Programmatic interventions (increasing number, but still limited) and a Programmatic Aid Unit⁵ that deals with everything that is related with Programmatic Aid. This Programmatic Aid Unit is poorly formalized inside AECID structure. Together with a lack of resources for the Unit, its limited advisory role, and the absence of sound institutional protocols at AECID, they hamper the potential leadership necessary to effectively insert a Programme Based Approach in AECID development policy.

Nevertheless, some initiatives like the establishment of Country Association Frameworks⁶ (CAF) (in line with III Director Plan mandate) constitute a remarkable effort towards a Programme Based Approach scenario. CAFs are strategic and medium term agreements with partner countries that facilitate an increased coherence between the different aid instruments used by AECID and between the different development agents working within the Spanish Development Sector. Its conceptual background is coherent with the principles guiding Programmatic Aid (mutual trust, co-responsibility, and donor dialogue). But these CAF, even if they are a necessary condition, are probably not sufficient to assure the Programme Based Approach integration within the AECID development policy. It is necessary to design an integral strategy on how to insert Programme Based Approach in the AECID structure, some additional guidelines and a substantial increase in resources allocated to Programmatic Aid Unit.

⁴ Spanish: Contrato de Gestión de la AECID
⁵ Spanish: Unidad de Ayuda Programática
⁶ Spanish: Marcos de Asociación País
The Sector Implementation Plans\(^7\) and the Extended Country Groups\(^8\) are worth mentioning. They are also an important feature towards increased internal coherence and coordination, but there are still no protocols available on how to articulate them. As a matter of fact, the development of internal articulation protocols is still weak and unbalanced. Despite these shortcomings, some have already being issued; the Document for Programme Based Approach to Water and Sanitation Cooperation Fund, and FONPRODE and the Debt Swap Programme are opportunities for the inclusion of a Programme Based Approach in AECID, though no protocols have being specifically provided to guarantee its complementarity. The design of due protocols at the NGO Unit is still incipient, though the potential opportunities for transformation into Programme Based interventions is significant: i) NGO participation in Programmatic Aid interventions, ii) enhance NGO alignment with Programmatic Aid interventions within Country Association Frameworks, iii) support NGO led interventions aligned with country policies and procedures.

The analysis made of the Management Contract activities foreseen to promote Alignment and Harmonisation show that the greatest effort was oriented towards country alignment (strategic objective 2.2 and 3.2 AECID management Contract). Programme Based Approach is not even mentioned in AECID Management Contract in relation with Harmonisation, but only indirectly included in some indicators. Still these indicators are too general and sometimes vague, so coordination efforts with other donors are not properly measured.

AECID participates via the Programmatic Aid Unit in several international Programmatic Aid forums.

On the other hand, the quality of AECID PA interventions (Evaluation Question 2) has improved significantly in the period analysed, though some weaknesses still remain to be addressed. A complete overview of the PA interventions portfolio reveals that these are coherent with the Sector and Geographic priorities set in Director Plan II and III. Moreover, the interventions analysis showed a high level of alignment with country policy priorities. In terms of Harmonisation, an improvement is noticeable in the intervention design based on the analysis of the Memorandums of Understanding (i.e. an increasing task distribution is found in the Memorandums). The newly approved Operational Programming \(^9\) is also a potential opportunity to extend Programme Based Principles in AECID with a reasonable degree of quality and effectiveness.

The AECID has defined a number of cross cutting issues –such as environment and gender balance-, which are not adequately addressed in the Technical Guide for PA\(^10\). Furthermore, these cross cutting issues are not properly dealt with in the interventions analysed, which hinders AECID overall coherence.

The single most used funding mechanism is the Annual State Subvention\(^11\), which does not allow for predictability in funding commitments. Whereas the interventions funded via Multi- Annual State Subventions are far more adequate to promote predictability and better finance planning, its use is still minor and affects few interventions at present time. Despite the efforts made by AECID to enable a multi annual fund commitment mechanism such as the Multi Annual State Subventions, it still is an underused instrument. Additionally, a significant number of the interventions designed during the 2005-10 period had weaknesses at the identification phase such as insufficient risk analysis and insufficient relevant staff assessment. In general terms, there does not seem to be an adequate protocol and systematization of the identification phase for PA interventions.

The case studies show that PA instruments selected were adequate and relevant according to the country context. This is due not so much to a rigorous identification but to the Director Plan mandate for AECID to join ongoing interventions, the previous experience in PA by Cooperation Technical Office Directors or the adequate background of the staff responsible at the time.

Also regarding the Quality of Design, the case study finds positive lessons on adopting the PA approach

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\(^7\) Spanish: Planes de Actuación Sectorial
\(^8\) Spanish: Grupos Ampliados País
\(^9\) Spanish: Programación Operativa
\(^10\) Spanish: Guía Técnica para la puesta en marcha de los nuevos instrumentos de cooperación.
in Middle Income countries, where Spain can lead the harmonization process with EU members, the European Commission or UN members.

In general terms, it can be said that a “learning track” has been initiated by AECID in relation to design and start up of PA interventions. The volume of funds committed in AECID budget for PA has increased and the selection of PA instruments is coherent, although the institutional setting at AECID does not allow for greater leadership and dynamism in the use of PA.

V. Level II: AECID management of Programmatic Aid

Regarding the quality of the AECID PA management cycle (Evaluation Question #3), the evaluation reveals that technical quality and overall PA intervention management has improved significantly over the period analyzed. The Programmatic Aid Unit had a key role in the process, despite its insufficient human resources and the lack of clarity regarding its mandate. Nevertheless, many interventions did not have basic documentation, and the quality of the documents available is uneven. There is not a standard on basic documentation and quality established for PA interventions.

Regarding the Technical Guide for PA, it was originally published in 2008. Therefore, from 2005-2008 there was no guideline available to provide technical guidance on PA interventions. What’s more, it was initially designed to provide guidance on the design and start up phases of the management cycle, with no guidance on follow up nor evaluation. The Technical Guide for PA is deemed an orientation tool rather than a guideline. Many interventions did not follow its recommendations, even though the AECID General Secretariat formally approved the Guide. Many interventions did not have an adequate documentation registry as suggested in the Technical Guide to PA, especially regarding the contents of the formulation document of the intervention (sector dialogue, tranche release conditions and procedures or disbursement route).

In many cases the funding predictability required in such interventions is not respected. Even if some administrative procedures have been established, the overall accomplishment with the disbursement commitments is not respected. Some of the disbursements that were analyzed were completed in the scheduled year, but in a manner where they could not be adequately integrated in the local budget cycle. Also, the payment dossiers were not sufficiently documented, and some relevant evidence was missing. In addition, the quality of the PR intervention justification processes is also uneven, but insufficient in overall terms. The Technical Guide for PA does not address justification processes, therefore, there are no standards on the requirements a Justification Dossier should include.

The assessment on the quality of PA management by AECID also addresses the quality of the institutional settings and human resources skills involved. As a result of the analysis, the Directorate for Sector Cooperation, Gender and NGOs\textsuperscript{12} (under which the PA Unit was created) was found to be poorly equipped –both institutionally and from a human resources perspective-, and unable to address the quality requirements in the assessment of ongoing PA interventions. This is particularly dramatic at the PA Unit. Nevertheless, the PA Unit has very actively engaged in many of the PA interventions being implemented during the period analyzed. There are no clear instructions on when the different units of the Directorate for Sector Cooperation, Gender and NGOs should intervene and the nature of its intervention (assessment, mandatory supervision, approval). The competences found at the different Geographical Directorates and Technical Cooperation Offices were globally inadequate to effectively implement the programmatic approach and the efficient management of PA interventions.

The possibility of a meaningful participation of AECID at harmonized policy dialogue forums at country level has been hindered by this inadequacy of the human resource skills.

The analysis of the quality and coordination on the decision taking process at the PA management cycle (evaluation question 4) reveals that there is no formalisation or standards available for the PA management procedures, and information is

\textsuperscript{12} Spanish: Dirección de Cooperación Sectorial, Género y ONG (DCSGO)
scattered without clear classification instructions. There is no protocol available on when the coordination mechanisms ought to be put in place, which units would eventually participate and the tasks assigned to each of them throughout the PA Management cycle. AECID has promoted important reforms that have helped to consolidate some of the PA principles: i.e. the creation of the PA Unit. But still there are weaknesses on how the different units articulate with each other. There are significant breaches on the role the PA Unit has to play throughout the PA management cycle, though there is a clear pre-eminence of the Geographic Directorates over the decision making processes at management level. Nevertheless the AECID has put in place some coordination mechanisms that tend to promote PA principles (Technical Group for Effectiveness and Quality\(^{13}\), New Cooperation Instruments Group\(^{14}\), Expanded Country Teams\(^{15}\)).

Regarding the Institutional setting, it is important to highlight that the PA Unit has no clear mandate and its institutional location is uncertain, which obstructs the inclusion of PA principles in AECID.

In this context, it was necessary to address the mid-term follow up sustainability of PA interventions and the sustainability of the process of inclusion of PA principles in AECID (Evaluation Question 7). Some evidence was found of an increasing tendency towards PA principle inclusion (i.e. Management Contract, Expanded Country Teams, Operative Programming, PA Unit etc..), but its sustainability remains nevertheless uncertain. These uncertainties are due to factors external to AECID such as: insufficient consensus and unawareness of PA principles amongst Spanish Cooperation agents and some degree of disconnection amid technical and political decision makers. However some factors are internal; lack of leadership by the senior managers for the inclusion of PA principles, unclear procedures for PA management, weak human resource capacities etc..).

The opportunities and strengths found in the cases analysed are based on the strong commitment of the donors with the Paris agenda at country level.

\(^{13}\) Spanish: Grupo Técnico de Eficacia y Calidad.
\(^{14}\) Spanish: Grupo de Nuevos Instrumentos de Cooperación.
\(^{15}\) Spanish: Equipos País Ampliados

The staff at the Technical Cooperation Offices is unfortunately unable to promote on their own the implementation of PA principles. In general terms, there is little staff sufficiently trained on PA and the rotation amongst them is considerable, which contributes to a continuous loss of institutional memory and weak systematisation of PA instruments. These factors constitute a serious threat to the quantity and quality of AECID PA interventions in the future.

\[ VI. \] Level III: AECID Programmatic Aid Effects.

It is important to remember that the present evaluation was intended to address the management of PA in AECID, explicitly leaving out of the analysis the impact of PA interventions (which would need a completely different approach, broader timeline and additional resources). Nevertheless, some issues on the effects of PA interventions were addressed in order to provide useful insights to AECID future policy making on PA. Evaluation question #5 “accomplishment of Paris Declaration targets and 3rd AECID Director Plan on Programmatic Aid” tackles in the first place the issue of AECID volume of ODA funds assigned to PA interventions. In this sense, it is remarkable that AECID is the sole agent amongst the Spanish Cooperation sector that has significantly endorsed PA. There has been a sustained increase in the volume of ODA funds assigned to PA operations throughout the period of analysis, though still far from the targets included in the 3\(^{rd}\) AECID Director Plan (indicators whose main concern is clearly volume of funds and not quality of PA operations). The evidence shows a trend towards increased number of PA operations, but not so much to a Programme Based Approach. It is important to recall that the first time the Programme Based Approach is ever mentioned in AECID strategic planning is the 3\(^{rd}\) Director Plan launched in 2009, so it may be too early to assess whether the trend also emphasizes on the Programme Based Approach. The evaluation reveals that there are more PA operations in place that are being supported or implemented by AECID and that are not being accounted in the PA database.

It is also important to highlight the fact that every progress noticed regarding Alignment and
Harmonisation in the 2009 AECID Management Contract are directly linked with PA approach. This evidences the correlation between the PA approach and the Agenda for Aid Effectiveness in AECID. The accomplishment of the targets included in AECID Management Contract is nevertheless insufficient to reach at an adequate pace the commitments of the Paris Declaration and the Accra Agenda for Change.

To assess “the contribution of AECID PA to Spanish Cooperation” the evaluation refers to secondary sources of information as the DAC Peer Review (2007 and 2011) and AECID evaluation on Paris Declaration Implementation (2010). Both studies highlight that improvements have been more significant in Alignment than in Harmonisation (note that efforts for greater Harmonisation rely on factors external to AECID like the willingness of other donors to harmonise procedures and the existence of other donors to harmonise with). Despite the fact that the Country Association Frameworks are the main factor on promoting greater alignment, AECID PA is also contributing, due to its nature, to the improvement of Spanish ODA in relation to Paris Declaration indicators dealing with donor alignment.

Notwithstanding the above, indicator # 9 of the Paris Declaration shows a poor performance (in fact, it shows a decreasing trend). This is due to the following factors: a) only AECID, which amounts to 25% of Spanish Cooperation, is markedly progressing towards PA approach, b) even if the volume of funds assigned by AECID to PA has steadily increased, the total amount of ODA also has increased, shadowing the progress towards AP approach, c) Spanish Cooperation and AECID are still channelling bilateral ODA on their own, even if it is improving on alignment and appropriation.

A progressive approach on increased commitment with PA has shown to be a key line of attack to improve AECID performance and coherence with Paris Declaration of Aid Effectiveness and the MDG. The PA approach is allowing an opening of AECID to the international donor community DAC – OECD, and constitutes an opportunity to clarify and consolidate some of the processes being implemented related to the Aid Effectiveness Agenda. What seems more important is not so much an increase in the number of PA operations, but more an enhanced implementation of the PA approach in the planning and programming schemes at AECID, possibly with a full commitment shown in the 4th Director Plan to be prepared in 2012.

Regarding the “effects of AECID PA on partner countries” (evaluation question #6.2) the evaluation reveals some immediate effects in the case studies that may provide useful insights for further impact evaluations. The case studies show that what is key to these effects is the role the AECID has played in the management of the operation. These roles are often not planned ahead but highly dependant on the capabilities of the human resources involved in the management and follow up. The high rotation of resources in the Cooperation Technical Offices, the lack of protocols for staff transfer, and data systematization have considerably diminished the institutional learning and know-how generated throughout the process.

The immediate effects of the AP operations analysed are varied, but in general terms, it can be said that AECID AP operations have had positive effects in the following areas: a) promotion of country leadership, b) focusing policy dialogue on sector issues, changing previous discussion dynamics, c) reduction in transaction costs. More indirectly, they have also contributed to: d) strengthened institutional systems (mainly acquisitions and follow up), e) stronger use of local planning systems, f) moderate effects in harmonization and predictability of funds.

Performance in relation to “mutual accountability” (evaluation Question # 8) is low in what concerns Civil society participation in the PA operations analysed (Social Watch, participation in policy dialogue and access to information). But all in all, AECID is not so far in this respect as its fellow partners at the OECD, since it remains a common challenge where there is still much room for improvement. On the other hand, in what respects transparency and accountability to Spanish civil society and the parliament, the evaluation unveils some weaknesses that need to be addressed promptly. The data shared with Spanish civil society is not heterogeneous. is the same applies to the dissemination efforts made to sensitize population on PA, its pertinence and relevance. It is likely that PA instruments are still little understood. These
conclusions put the issue of communication at a central stage of current challenges for AECID. The presence of NGOs in PA operations is still feeble, although their track record and experience represent an opportunity to be taken into account.

VII. Recommendations at strategic level: AP approach integration to AECID

1. - Promote the inclusion of PA approach as a principal modality to channel bilateral ODA.

In order to ameliorate performance in the adoption of the Aid Effectiveness Agenda by AECID, it is crucial to upgrade the AP approach to a central strategic level. This implies the fulfilling of the 3rd Director Plan mandate, which states that PA would be a principal modality to direct bilateral ODA to Type A countries, thereby complying with the acquired commitments with the international community. The PA approach must not be a secondary modality, but rather become a central vehicle for reforms at AECID. In order to do so: 1.1) it is necessary to place the PA approach at the strategic level where it belongs in all stages of the Programming at AECID and the Spanish Cooperation (Strategy level: Director Plan, Country Association Frameworks. Strategic planning level: AECID Management Contract, AECID Operational Programming. See recommendations 2, 3, 4 and following). 1-2) Maintain a course of sustained growth on the volume of ODA assigned to PA by AECID. This growth should be encompassed with a process of institutional strengthening and consolidation of the PA integrated management system.

2. – Maintain and consolidate a central positioning of the PA approach at strategic level in AECID

2.1) AECID Director Plan 2013-16; After its introduction in the II Director Plan, and the evolution that followed in the III Director Plan, it is now time for a sound integration of the PA approach throughout the IV director plan, avoiding its use as a mere instrument. 2.2) Elaborate a strategy based on a wide consensus by AECID/ DGPOLODE16/ SECI that may be considered as the road map for its integration in Spanish Cooperation. 2.3) Ensure from DGPOLODE the effective integration of PA Approach in the Country Association Frameworks of Type A classified countries. 2.4) Ensure from DGPOLODE the integration of PA Approach in the PACI17. 2.5) Debt Swap: Promote from SECI/AECID and Ministry of Economy Debt Swap operations under a PA approach whenever the right conditions are in place.

3. – Include the PA approach at central level in AECID strategic planning (2012 AECID Management Contract)

3.1) Ensure PA Approach strategic institutional setting by locating the PA Unit together with the Programming and Quality Unit18. 3.2) Elaborate a baseline with all running operations that could eventually be considered PA operations, on top of the ones already categorized as such. 3.3) Design a Plan to include PA approach in AECID (adequately articulated with the Action Plan for Aid Effectiveness). 3.4) Ensure from AECID that FONPRODE is oriented, whenever possible, to the support of Sector and Budget Support, with an adequate articulation scheme with other AECID operations. 3.5) Enhance the cohesion of the AECID Management Contract on Aid Effectiveness Agenda, making sure the contribute to PA approach inclusion (guided by recommendation 2.2: PA Strategy).

4. – Promote PA inclusion in the Technical Cooperation Offices operational programming.

4.1) Check by default in every AECID identification process whether the PA conditions are met. If so, then the preferred funding modality should be under PA approach. 4.2) Articulate the operations foreseen in the operational programming into PA approach inclusion (include portfolio analysis that Technical Cooperation Offices are obliged to perform during Operational Programming)

5. – Ensure the coherence between AECID strategy for PA approach inclusion with the EC latest communication on Budget Support (oct 2011-COM (2011) 638/2)

5.1) Contribute to the process of common position building in the EU, taking the EU as a reference to


17 PACI: Plan Anual de la Cooperación Española. English: Spanish Cooperation Annual Plan

18 Spanish: Unidad de Programación y Calidad UPC
further decisions and PA operations management.  
5.2) Get involved in the process of definition of 
single harmonized contracts between the Member 
States and the European Commission. 5.3) Assess 
the EU recommendation to change the naming of 
Budget Support contracts (Good Governance and 
Development Contract and Sector Reform Contract).

6. – Include a specific strategy to include PA 
approach in Middle Income Countries (MIC) 

In the future AECID PA Plan there should be included 
a specific strategy for MIC that follows at least the 
following criteria: 6.1) Avoid using General Budget 
Support, as it is an instrument that does no 
guarantee enough incentives for policy change in 
this type of countries, given the limited capacity of 
AECID in the follow up of such operations. It is 
therefore more convenient to use Sector Budget 
Support and Basket Funds. 6.2) Enhance the use of 
Technical Assistance Funds that favour knowledge 
over funding volume. In order to feed these TA 
common funds, explore the possibility to use South - 
South Cooperation and Triangular, where Spain has 
a true added value, especially in Latin America and 
the Caribbean. 6.3) Explore with determination the 
Territorial Approach to PA as suggested by the 3rd 
Director Plan. In MIC it is likely to use PA approach at 
territory level, supporting ongoing decentralisation 
processes. The opportunity to find 
complementarities with Spanish local authorities 
and “Comunidades Autónomas” is plausible. 6.4) 
Particularly in Latin America and the Caribbean, 
AECID can assume a leading role in PA operations, 
provided some adjustments suggested in this report 
are made. Besides EU member states, some other 
natural partners may be: UN, the European 
Commission, IDB, CEPAL.

7. – Adopt specific criteria for PA approach inclusion 
in “Less Advanced Countries”19.

7.1) for these countries, we recommend AECID to 
use Sector Budget Support and Basket Funds. 7.2) In 
case the Technical Cooperation Office has strong 
capacities, General Budget Support may be 
considered, as long as funding predictability is 
guaranteed and an adequate level of capacities for 
policy dialogue is in place. 7.3) Explore the possibility 
of using more frequently Delegated Cooperation.

8. – Implement an External Supervision System for 
PA and Aid Effectiveness Agenda at AECID.

We recommend the design and implementation of a 
system to follow up and supervise the quality of the 
PA Plan, the inclusion of the PA approach and a 
sound management of PA operations.

VIII. Recommendations at strategic level: AP 
approach integration to AECID

9. - Establish a procedure to promote an efficient 
management of PA operations. 
A basic element to promote a rise in the quality of 
PA operations is the establishment of a set of 
management procedures that guarantees a balanced 
participation of the AECID units. These units should 
participate in order to contribute to the quality 
desired without hampering its agility and efficiency 
in the management and the decision making 
process. In general terms, the units that should 
participate in any PA operation are: Technical 
Cooperation Offices, Geographic Units, PA Unit, 
Sector Units and the General Secretariat. This 
evaluation proposes a specific protocol that directs 
the management of the operations at its inception, 
design, identification, formulation, follow up, 
supervision and evaluation.

This protocol includes several key features; 9.1) 
Identification and Formulation: its should ensure the 
due coherence between the operations and the 
Country and Operational Programming level that are 
prepared by the Technical Cooperation Offices. 
These offices will be responsible for the 
identification of the PA operations in a given format. 
In case the Geographic Unit at headquarters in 
Madrid considers favourably the proposal, it should 
immediately call a meeting with an assessment 
group20 formed by the PA Unit, the Geographic Unit 
and the Sector unit that corresponds. With the 
approval of this Assessment Group, the formulation 
is ready to be launched. On the quality of the 
formulation document the PA Unit and the relevant 
Sector Unit should issue a technical note to inform

19 Spanish: Países Menos Adelantados (PMA)

20 In Spanish, Mesa de Valoración.
the Geographical unit, who are the ones with the mandate to approve and fund the operation. Both the formulation document and the technical note would have to be provided in a standardized format included in the Technical Guide for PA.

9.2) the Technical Cooperation Offices will be in charge of the follow up of the operations under the guidelines stated in the MoU and the State Subvention. During implementation, they will need to build up the documentation dossier according to the stipulations of the MoU. The disbursement will need to be justified and endorsed in Madrid, with a set of technical annexes that will need to be standardized for its assessment in headquarters. The PA Unit and the Sector Unit are not relevant in the performance assessment of the operation (disbursement assessment based on indicators), unless their human capacities are dramatically reinforced. During the implementation of the operations, their role will be punctual and under explicit request. 9.3) Document standards and systematization: Every PA operation should be documented by its responsible at the Technical Cooperation Office, who will also be in charge to feed it into the Information System that is being implemented at the time of writing this report. The list of document that will need to be standardized and filed during the implementation of an operation are: Identification Fiche (Technical Cooperation Office), Checklist for identification validation (Geographic unit), formulation document (Technical Cooperation Office), PA unit + Sector Unit assessment notes, Payment Order (Geographic unit), disbursement justification dossier (Technical Cooperation Office), Checklist of the validation of the disbursement justification dossier (Geographic unit), follow up reports prepared by external TA.

10. – Formalize the existence of the PA Unit, re-locate into the AECID Cabinet and redefine its functions and mandate.

10.1) The strategic function of PA unit ought to be reinforced, minimizing its participation on the implementation period and limiting it to punctual assistance under demand. Some basic competences for the PA unit may be some of the following (though in practice, some of them are being provided by the PA unit already): Design of the PA approach inclusion in AECID (together with the Programming and Quality Unit), engagement in the Country Association Frameworks groups and the Operational Programming of Technical Cooperation Offices (for Type A countries), participation in the identification of PA operations, TA joint missions in PA operations, management of the external PA supervision system for Type A countries, definition of training needs for PA in AECID, AECID representation in international forum on PA and systematization, dissemination and evaluation of PA in AECID. 10.2) In order to be able to address the above mentioned tasks; a substantial reinforcement of its human capacities is crucial. 10.3) Additionally, the PA Unit can enhance its impact in PA operations by promoting collaboration agreements with some specialized Public Administration Institutions that can add up on knowledge and capacities rarely available at AECID, such as the Institute for Fiscal Studies. The collaboration modalities may be varied: occasional TA, report preparation, technical notes, training, etc.

11. – Complete and improve the existing Guidelines and methodologies for PA operational management.

To date, the AECID has only developed the PA Technical Guide, which has positively impacted PA operations, but is still insufficient, as it does not address all the phases of the management cycle. It is now a priority to provide the AECID with a series of methodological documents for the management of PA operations, and address the systematization of the documentation available. This is a task specifically assigned to the PA Unit, that needs: 11.1) A revision of the PA technical guide in order to complete it and address in more detail the phases of implementation, follow up, disbursement justification and evaluation of PA operations.11.2) We suggest that the revised version of the PA Technical Guide includes an introductory chapter with some orientation on basic principles of PA approach and provides some direction to include the PA approach to the programming and strategic planning of AECID. 11.3) Ensure that the revised version of PA Technical Guide is approved and endorsed at the highest level at AECID, with its contents being mandatory for all units.
12. – Improve the quality of AECID Human Resources involved in the management of PA operations.

12.1) The PA Unit must design a training strategy on PA approach that will eventually be included in AECID Training Plan. This strategy should include some in-house training but also some online resources available for staff at Technical Cooperation Offices. 12.2) The PA Unit ought to manage together with the Sector Units a sector expert network/database with specific experience in PA operations. This database would be used for specific needs of AECID concerning PA operations. It could also specify regional experts that may be available to assist the Technical Cooperation Offices in the PA operation management cycle. 12.3) In order to update AECID needs on PA experienced human resources, the public exams to access AECID should include themes and questions on PA approach and its financing modalities. 12.4) AECID should ensure that staff involved in PA operations is able to make adequate transitions to new coming staff when substituted. 12.5) An incentive scheme for AECID staff should be put in place in order to facilitate AECID transition to a more PA oriented cooperation.

13. – Evaluate, Systematize and disseminate AECID experience on PA approach.

13.1) AECID ought to promote some PA operation evaluations in order to generate a body of knowledge and lessons learnt that might be used in future operations. 13.2) Amongst the tasks and duties assigned to the PA Unit, the systematization of available information on PA operations should be included. 13.3) Based on recommendation 13.2, a sensitization strategy ought to be put in place aimed at other Spanish Cooperation Agents.