

Virtuous Circles in Spanish Cooperation

Executive Summary

What do the following projects have in common: clean energy generation in remote Mexican villages, a malaria elimination programme in Mozambique, and the stabilisation of food prices in the Sahel? In each case, the contribution of Spanish cooperation has been decisive in promoting or supporting a project through which innovation has transformed the lives of thousands of people. Of equal importance is the fact that all these projects generated an exchange of knowledge that favoured both the sustainability of the intervention in the recipient country and the ability of the Spanish teams involved to generate new and better ideas.

In an age of technological revolution and guided towards 2030 by the Sustainable Development Goals (SDG), international cooperation strategies are no longer determined by the past. The provision of essential services and humanitarian aid are still indispensable components of international cooperation in some parts of the world, but the new model of development aid is demonstrating its added value by functioning as a driver of the work of state and non-state actors in the world's poorest countries. In these efforts, creativity and the generation and exchange of knowledge are as important as political will or the transfer of financial resources. Furthermore, the work and objectives are much more in line with the overall interests and policies of the public and private entities involved.

Inspired by these principles, this document proposes a new concept for Spanish cooperation: *virtuous circles*. The term can be used to describe development projects in which an alliance between diverse and complementary actors tackles a complex social or environmental problem through interventions that not only generate positive results in the present but also facilitate the subsequent continuity and scalability of the solution. Innovation and knowledge play an essential role in this model, both in the tools and processes used and in the products and outcomes achieved.

A good example of this logic can be found in the renewable energy sector. In several countries—Mexico, Peru, Brazil and Ethiopia—Spanish companies work with development cooperation entities and local actors of all kinds, ranging from local authorities to civil society organisations, to provide access to clean, reliable and affordable energy that will help to guarantee the rights and opportunities of the population. The introduction

of new technologies, such as home photovoltaic systems, is not the only innovation contributed by these projects. The partnerships, the business models used and the institutions themselves have all evolved through open learning processes towards models capable of ensuring the impact and continuity of the programmes. Even in such complex settings as refugee camps, this model has been able to offer solutions that are more suited to each setting, more efficient and—most encouragingly—more sustainable.

In the case of the health sector, official Spanish cooperation has made decisive contributions to the international effort to fight diseases associated with poverty. Millions of people have benefited from research carried out jointly with local teams, which has yielded tangible results, including the first prototype of a malaria vaccine and some of the most promising breakthroughs in recent decades in the fight against Chagas disease, a parasitic disease prevalent in Latin America that also affects some 87,000 people in Spain. Innovation can play an important role in the battle for global health, making this field fertile ground for a strategy that offers advantages to vulnerable countries while helping to build the research capacity of the donors.

Each one of these examples—and others relating to water and food security described in the report—are strategies based on creativity, collaboration, a systemic approach, flexibility and continued learning. Based on these examples, we have identified four basic lessons for Spanish Cooperation:

- **The crucial importance of knowledge in the development of poor countries,** not only in regions in transition, such as Latin America, but also in much poorer regions, such as Africa, where this type of programme has been shown to have a unique added value.
- **Intelligent cooperation can support strategic sectors of our R&D:** Every successful intervention reinforces the opportunities of the Spanish economy, links our organisations and companies to an integrated global market, and consolidates our country's position in regions and economic spheres in which we previously had little or no presence.
- **The opportunity to open doors to new funding mechanisms:** These examples show how Spanish official aid can be more creative in gaining the support of third parties—for exam

ple other bilateral donors, multilateral initiatives, and private sector actors—to attract resources and investments to the ideas it promotes and the interventions it finances.

• **The potential for new public-private models of cooperation:** Actors who are not necessarily accustomed to working together not only collaborate, they also share their experience, an outcome that facilitates the sustainable impact of the interventions and is unlikely to occur outside of such collaborations.

When reconsidering its policy and budgetary strategy, Spanish Cooperation must take advantage of the opportunity offered by these lessons. The proposals of the new Master Plan must not under any circumstances include a return to a flat model based on sectors and countries that fails to address current or future needs and lacks the budgetary muscle to ensure any significant impact.

The plan that will be defined in the coming months will have two choices: to resurrect Spain's contribution to global development or to administer the coup de grâce. And only a vision deeply rooted in the logic of the SDGs and supported by a wide range of tools and actors can give us the global cooperation best suited to the needs of our planet and also to our interests. This is a reality that has, for a long time, been understood by many companies and civil society organisations, who have responded with their own initiatives to the state's inaction and the slow pace of state initiatives.

As drastic cuts over the past eight years have reduced the Spanish development budget by 73%, the essential first step will be to put an end to the budgetary constraints that allow our cooperation agency almost no room for manoeuvre, a change in policy that would demonstrate political commitment to development cooperation. However, a strategic vision with much greater clarity and depth is also needed. The following is a brief summary of the proposals made in this report:

1. The new Master Plan for Spanish Cooperation must include a clear commitment to research and innovation as a tool for development cooperation. This commitment must be implemented in a model transcending the traditional distribution between sectors and geographical areas. The strategic objectives of Spanish cooperation should reflect an integrated vision of the diverse tools and actors involved in achieving its targets.

2. The framework of the international cooperation agenda should be defined by the SDGs and Spain's contribution to those goals, effectively integrating the national and international perspectives of that strategy in areas such as the reduction of emissions, universal health coverage and the promotion of sustainable food production models. Likewise, the leadership of this task should be the responsibility of a presidential or vice-presidential body, for example an Equity and Sustainability Office equivalent to the President's Economic Office.

3. The concept of *virtuous circles* (or a similar alternative) should form part of the methodological and strategic innovation of the new model for Spanish development aid, perhaps through a specific programme of pilot projects that will drive the design of broader programmes in the near future. The three sectors discussed in this document (health, energy, and food and water security) offer the elements that should be considered part of Spain's strategic options in this respect, but other sectors should also be considered, using stringent criteria to assess opportunity and added value in each case.

4. In line with the recommendations of the 2030 Agenda, collaboration between public and private institutions should be one of the starting points for any strategy. The list of potential collaborators is not limited to the central government and NGOs, but can also include the regional governments of autonomous communities and local authorities as well as foundations, private companies and universities. In the new plans, no strategic line of action should be considered without taking into account the optimal role of each actor in its implementation.

5. Accountability mechanisms should incorporate tools and commitments that go beyond a mere accounting audit of expenditure to include methods for assessing the medium- and long-term impact of interventions.

6. By the end of the current legislature, Spain must put an end to the fiscal marginalisation of aid and implement a budgetary plan that will allow the country to increase its resources for cooperation to the EU average. Technical cooperation and knowledge transfer—the twin pillars of *virtuous circles*—lend themselves to triangular financing models involving bilateral, multilateral and private actors, offering an ever greater range of possibilities in various regions of the world.

ISGlobal **Barcelona** Institute for Global Health



www.itd.upm.es
@itdUPM

Centro de
Innovación en
Tecnología
para el
Desarrollo Humano

In collaboration with the SDGs Iberdrola-UPM Chair
and the Social Council of the Technical University of Madrid (UPM)

A partnership of:

