



RÉPUBLIQUE
FRANÇAISE

*Liberté
Égalité
Fraternité*




Transport & Mobility

ACTIVITY REPORT

2020

#WorldInCommon



The mobility of people and goods is a prerequisite for the achievement of the Sustainable Development Goals (SDGs). Indeed, it plays a fundamental role in providing people with access to employment and essential services, and determines whether productive economies function effectively and sustainably, so that cities can be not only efficient, but also breathable and “livable”.

The transport sector is more than 90% dependent on hydrocarbons and is responsible for 14% of total greenhouse gas (GHG) emissions. Individual or collective road vehicles are responsible for three-quarters of these emissions and cities account for about half of this total. Now more than ever, in light of expanding urbanization and the increase in demand for mobility, reducing the carbon intensity of the transport sector is a major challenge.

The transport sector is one of the hardest hit by the impacts of the Covid-19 crisis, which has weakened the transport operators in the short-term and will involve major changes in the transport behavior in the longer term.

To address these issues, AFD Group provides financing to develop low-carbon modes of transport, support the integrated planning of mobility systems and reduce motorized travel.

AFD Group's transport and mobility strategy

AFD's operations in the transport and mobility sector are based on four goals:



Inclusive mobility systems

AFD promotes social cohesion and the access for all to projects connecting isolated areas and ensuring the inclusion of vulnerable communities (through equal access and fair pricing) as well as the participation of users in the design of projects.



Green and low-carbon mobility systems

AFD supports “green” and low-carbon mobility systems, aimed at reducing local pollution and accelerating the decarbonization of the sector.



Efficient and sustainable mobility systems

AFD ensures that projects are sustainable by analyzing the effectiveness of technical choices, sectoral governance (planning, financing and management) for operation and maintenance.



Safe mobility systems for all

AFD finances mobility systems that promote road safety and the safety of complex forms of travel such as air and rail). Such systems also tackle the insecurity of women in transport and public spaces.

Three crosscutting acceleration tools

are used to fast track AFD's action in the transport and mobility sector:



Promote technological and digital innovations in mobility



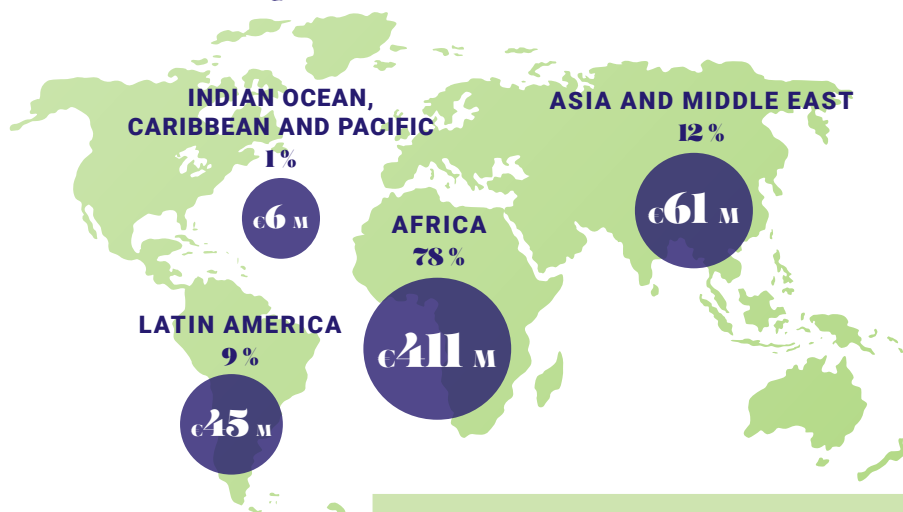
Effectively mobilize the private sector



Mobilize French and European expertise

Transport and mobility projects approved by AFD Group in 2020

Breakdown by region



€523 M

for transport and mobility
in 2020



**2 million
people**

will benefit from improved
access to sustainable
transport through AFD's
commitments in the sector
in 2020

Sector strongly affected by the Covid-19 crisis

Commitments since 2018



AGD Group's commitments
in the transport sector were
lower than previous years;
due to delays in project
preparation studies and
increasing macroeconomic
constraints, which limit the

degree to which countries can borrow.

AFD Group responses to the crisis in the sector include:

- Emergency measures to ensure that transporters can continue to fulfill their mission;
- Ad hoc measures to support the cash flow of formal and informal operators;
- In the longer term, supporting recovery plans through the construction of infrastructure to contribute to reviving employment and green and inclusive growth.

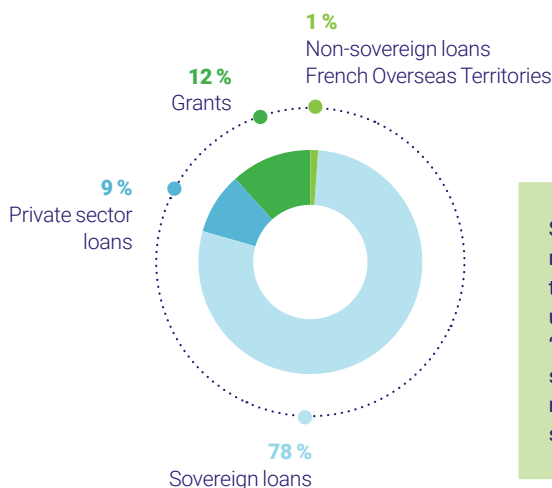


In 2020,

81 % of new commitments
in the transport sector have

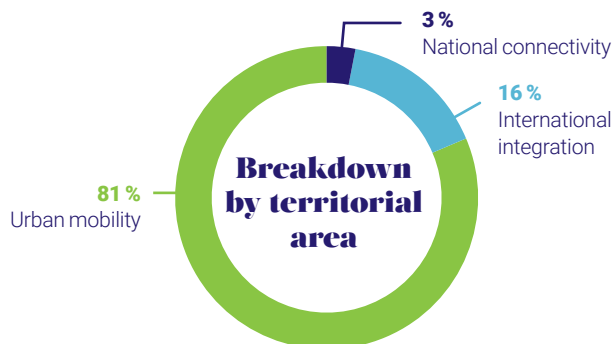
climate co-benefits.

Breakdown by financial tool



Sovereign loans are used to finance major infrastructure projects, such as the building of roads and developing urban public transport, based on a “public service” approach. Public non-sovereign loans are mainly used in the maritime and air transport sector. The sector benefits from very few grants.

Urban mobility, a strong marker for AFD Group



In 2020

69 %

of projects approved
in the sector will reduce
gender inequalities.

Urban mobility



In the urban sector, the objective is to promote livable and inclusive cities by financing not only the “hard” infrastructure of mass transit systems, but also “soft” modes, passenger interchanges and the optimization of traffic flows. This integrated vision should be part of a sustainable urban plan.

81%

of the financial volume allocated in 2020 concerns urban mobility.

All these projects have climate co-benefits.



PARATRANSIT

The two Bus Rapid Transit (BRT) projects approved in 2020, in Kaduna (Nigeria) and Dar es Salaam (Tanzania), include a component to professionalize the paratransit sector.



SECONDARY CITIES

Urbanization in Africa will mainly take place in secondary cities. In 2020, over ten planning or feasibility studies were underway in secondary cities.



PUBLIC POLICIES

20 activities contribute to the ongoing public policy dialogue.

COLOMBIA : electrification of Bogota's bus fleet

Proparco non-sovereign loan | €44 M

FDN (Colombian Public Development Fund) co-financing.

Beneficiary: Electribus, the company responsible for purchasing electric buses.

Targeted outcomes: 150,000 passengers a day with improved access to public transport, reduction of GHG emissions by 32,000 tCO2eq per year, improved air quality.

The public transport system in Bogota, which has 7 million inhabitants, is based on the coordination between a high capacity transport network, BRT (2.3 million passengers a day) and 2,200 km of “conventional” secondary lines (1.4 million passengers a day).



The city has decided to gradually electrify conventional transport lines with an innovative financial model: the bus acquisition contract is separate from the operation and maintenance contract in order to ensure a more balanced risk-sharing between the stakeholders; and maintain less capital-intensive local operators. Proparco is financing the acquisition of 259 electric buses serving two city neighborhoods, as well as the replacement batteries after eight years of operation. The objective is to replicate this project in the future.

Colombia has a very green energy mix and the development of electric mobility will have significant impacts on reducing Bogota's greenhouse gas emissions.

National connectivity

ODD 9



ODD 3.6



At the national scale, the objective is to unleash the economic and social potential of territories by supporting the controlled and sustainable development of road networks (including in rural areas) and rail or river networks as part of a territorial project.

In 2020, only

1

national road project was allocated, for a modest amount



A Technical Note, “Mobility in Rural Areas, a Prerequisite for the Achievement of the SDGs”, was finalized in 2020: it highlights the way in which rural roads contribute to reduce poverty, while being key to the resilience of territories to climate change.

CENTRAL AFRICAN REPUBLIC :

Rehabilitation of the RN8 to connect physically and politically the territories in the north-east with the rest of the country



AFD grant

Minka Peace and Resilience Fund | €10 million
World Bank co-financing (\$45 million).

Beneficiary: Central African State.

Targeted outcomes: improved access to social facilities, schools and health centers for 140,000 people, increase in the sale of agricultural products, peace-building.

The aim of opening up this area is to contribute to the development of the local and regional economy. During its implementation, the project will have a direct economic impact by mobilizing national companies and local people for high labor-intensive work (HIMO), which makes it possible to redistribute money to residents. In addition, the project meets a critical need for crisis recovery and national cohesion. This project is therefore a prerequisite for the redeployment of the State, as well as for increasing humanitarian aid in this region.

The northeast of the Central African Republic has weak connections with the capital Bangui. AFD's support focuses on strengthening the road that extends National Road 8 to the north of Kaga-Bandoro, via Ndélé and up to Birao at the Sudanese border, i.e. about 800 km of road.

International integration

ODD 9



At the international scale, the objective is to open up territories, especially island territories, and integrate economies into global trade. AFD wants to accelerate the energy and ecological transition in the airline and maritime sectors and focus on security and safety.

16 %

of the financial volume approved in the transport sector in 2020 (i.e. 2 projects) supports the integration of countries into international trade.



100 %

of approved projects include a component to accelerate the energy transition in the maritime or logistics sectors.



DJIBOUTI-ETHIOPIA CORRIDOR: Facilitating trade to improve regional integration

Grant

delegated by the European Union | €32 million.

Beneficiary: TradeMark East Africa (TMEA), a non-profit organization specialized in the implementation of trade facilitation projects.

Targeted outcomes: 15% reduction in the time required for the passage of goods at the port of Djibouti, the Galafi border post and dry ports in Ethiopia, lower consumer prices, rise in exports, increase in incomes for the most vulnerable people.

the poor logistical performance of the Djibouti-Ethiopia corridor hinders the economic development of the area. This project aims to reduce the time required for the passage of goods by simplifying operational procedures and promoting the widespread use of digital technology and the interoperability of information and management systems. The harmonization of standards governing trade between the two countries will also improve the certified quality of products.

By improving trade flows, the project will benefit companies and producers in the logistics sector, both in Ethiopia and Djibouti (especially the most vulnerable communities).

Ethiopia is almost fully dependent on the port of Djibouti for its trade. While the two countries have ratified the agreement establishing the African Continental Free Trade Area (AfCFTA),

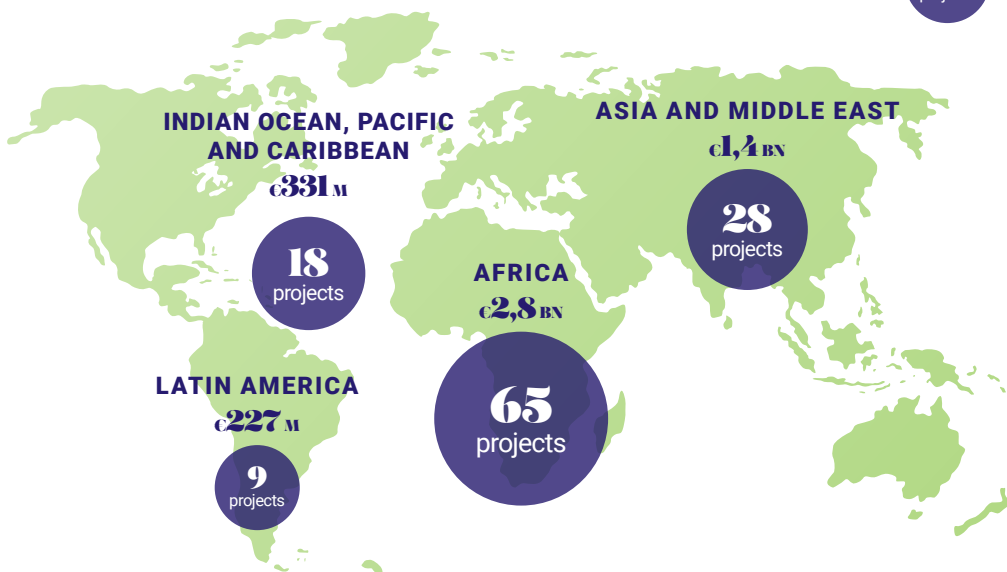
Ongoing projects

AFD Group's transport and mobility activity also involves managing a portfolio of ongoing projects, with the supervision of contracts for standard infrastructure projects. The teams are also working on the implementation of projects for capacity building, studies and planning in order to feed into the sectoral dialogue.

Breakdown by region

MULTI-COUNTRY : €5 M

1 projects



121 ongoing projects

in the transport sector at 31 December 2020, with total commitments amounting to some €4.8 BN and an undisbursed amount of €3.5 BN.



42 agreements

(for loans or grants, including for the preparation of projects) signed in 2020



Some

€850 M

disbursed in 2020

Achievements and outcomes

There are three main types of projects and targeted outcomes:

- **Projects that aim to build tangible infrastructure** (such as metros, trams, roads and railways), with a traffic demand can be measured over the long term;
- **Projects that aim to improve a public policy. They have an intangible benefit**, but provide the framework required to ensure that the benefits of the infrastructure fully materialize;
- **Technical assistance projects that aim to build the capacities of stakeholders** and generally complement the first two types of projects.

"Tangible achievements" can be reported for the first type of project. To take into account the gradual increase in traffic, we have decided to monitor projects during three years after their commissioning.

Between 2018 and 2020, 28 AFD-funded transport infrastructure facilities were completed and commissioned, with the following results:



6,7 MILLION PEOPLE

have improved access to sustainable transport.



900,000 PASSENGERS

use public transport every day on the funded sections.



ABOUT 200 KM OF LINES

for mass urban transport (BRT) have been created or rehabilitated.



ABOUT 600 KM OF INTERURBAN LAND ROUTES

(road/rail) have been created or refurbished (excluding rural roads).

ECUADOR: Commissioning of the first urban cable car system in Latin America crossing a river



Non-sovereign loan | \$115 million

Beneficiary: Municipality of Guayaquil

AFD has supported the construction of an urban cable car line connecting the historical and commercial center of Guayaquil to the "dormitory" town of Duran located on the opposite bank of the Guayas River.

The project's objective is to improve access for people in Duran to jobs and services in downtown Guayaquil, by reducing the journey time from 45 to 17 minutes and easing congestion on the main bridge crossing the

river and in the city center. The project has been implemented under a concession to the French company Poma, which is providing 15% of the financing and operating the cable car service for 30 years.

35,000
people a day will
use this cable car
system

The reduction
of GHG emissions
is estimated at
15,000
tCO₂eq per year

A partnership-based approach to sustainable mobility

AFD promotes partnerships and exchanges between peers. They are effective tools for building capacities and gaining support from public decision-makers. AFD has built up a network of professional partners: leading French and international institutions and French authorities that organize mobility.

Promoting French expertise in urban mobility



Handbook on the Acquisition of Buses in Africa
CODATU, SYTRAL



Good Practice Guidelines for Multimodal Transport Hubs (MTH) in Cities in the South
AFD



Collection of the Good Practices of French Cities for Sustainable Urban Mobility
CODATU, GART

The MobiliseYourCity partnership is celebrating its 5th anniversary and extending its range of services



Since its launch in 2015, the membership of the MYC partnership now includes 63 cities and 13 governments committed to sustainable and low-carbon mobility. With some €36 million of funds raised and implemented, MYC has supported many activities in the field to improve urban mobility planning, as well as for capacity building and advocacy. We estimate that these activities have mobilized over €800 million downstream.

The future objective is to extend the range of services, by adding a new strategic focus to the three initial pillars, in order to implement projects to modernize paratransit, promote soft modes of transit and support governance reforms. These less-capital intensive projects are often not sufficiently taken into account, and yet they are essential to the sustainable and fair transformation of mobility systems.

Towards a World in Common

AFD Group implements France's policy in the areas of development and international solidarity. The Group includes Agence Française de Développement (AFD), which finances the public sector and NGOs, as well as research and education in sustainable development; its subsidiary Proparco, which is dedicated to private sector financing; and soon, Expertise France, a technical cooperation agency. The Group finances, supports and accelerates transitions towards a fairer, more resilient world.

With our partners, we are building shared solutions with and for the people of the Global South. Our teams are at work on more than 4,000 projects in the field, in the French Overseas Departments and Territories, in 115 countries and in regions in crisis. We strive to protect global public goods – promoting a stable climate, biodiversity and peace, as well as gender equality, education and healthcare. In this way, we contribute to the commitment of France and the French people to achieve the Sustainable Development Goals (SDGs). Towards a world in common.



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