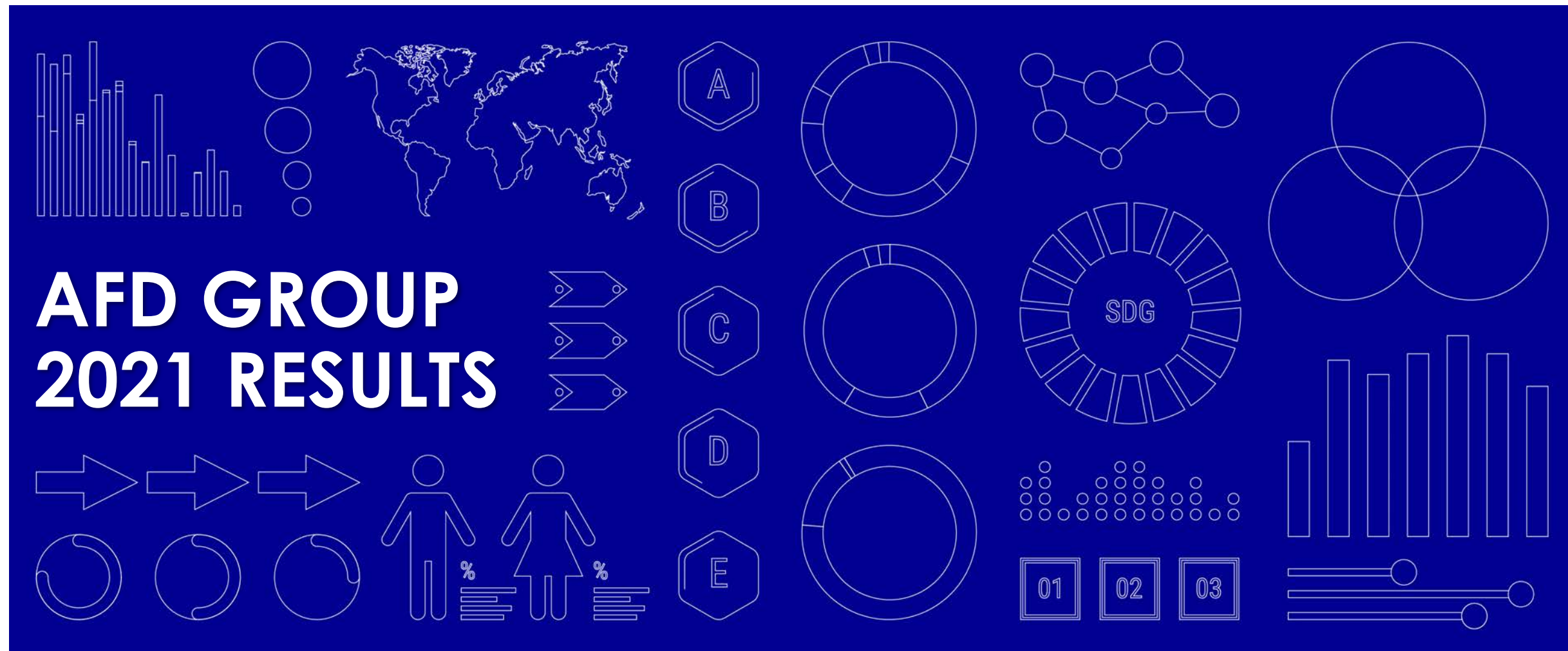


# AFD GROUP 2021 RESULTS



1941 → 2021 → 2101



**Years**  
by your  
side



#WorldInCommon



# 80 years by your side

Since December 2, 1941, Agence Française de Développement has worked to implement France's development and international solidarity policy. Our action is fully in line with the United Nations' Agenda 2030 for Sustainable Development.



**More than 4,000 projects implemented in the field,**  
in 115 countries and in Overseas France

An ideal that guides us: **the 17 UN Sustainable Development Goals (SDGs)**

**Two commitments**, with two objectives:

- **Align 100% of our projects with the Paris Agreement on the Climate**
- **Ensure that 100% of our projects contribute to social cohesion**

**Key action areas targeted:** climate, biodiversity, peace, gender equality, education, and health

**A deep-rooted partnership policy**, in particular with the European Union and the worldwide public development banks that join together in the Finance in Common Summit (FiCS). Partnerships enable us to mobilize greater financing and more players in support of the SDGs.

# 2021, consolidation of French development policy



On August 4, 2021, the French Parliament unanimously adopted the Programming Law on Inclusive Development and the Fight Against Global Inequality.

This new legislation has provided for several measures:

- An increase in funds allocated to official development assistance (ODA), from 0.55% of gross national income (GNI) in 2022 to 0.7% in 2025
- The forming of an ODA evaluation commission, to promote the accountability of the inclusive development policy, transparent results, and public reporting
- Integration of Expertise France into AFD Group, effective January 1, 2022

AFD Group now has all the tools it needs to implement French development policy, as we are bigger and stronger thanks to our three components:

- Agence Française de Développement, in charge of financing the public sector and NGOs
- Proparco, our subsidiary dedicated to financing the private sector
- Expertise France (since January 1, 2022): the interministerial agency of international technical cooperation and the newest subsidiary of the Group







# AFD GROUP IN 2021

## OUR HIGHLIGHTS IN FIGURES



# AFD Group's activity in 2021<sup>(1)</sup>: our highlights in figures



**€12.15 BN**

**in new commitments,**  
including €2.3 billion in support for the  
private sector via our subsidiary Proparco

**995 new projects**

**financed,**  
all sectors combined

**€8 BN** in disbursements,  
our highest amount ever

**55%** of commitments  
**benefit non-sovereign stakeholders**  
(civil society organizations, local  
authorities, private sector)

**€5.2 BN** in Africa,  
making up nearly half of  
AFD Group's  
total commitments

**€5.2 BN** for the climate, within the UNFCCC framework,<sup>(2)</sup> out  
of the €6 BN in climate finance provided by AFD Group in 2021.  
This figure represents 85% of the annual commitment made by  
France as part of the Paris Agreement.

**More than €500 M** for biodiversity,  
enabling us to work actively towards climate-biodiversity convergence

**50%** of our commitments  
**contribute to gender equality,** with  
€846 M earmarked precisely on that  
theme.

(1) These data do not include those of Expertise France, which joined the Group on January 1, 2022. Its activity will be included in the 2022 results.

(2) The framework of the United Nations Framework Convention on Climate Change includes AFD Group financing other than that for Overseas France, for delegated funds, or for Turkey.

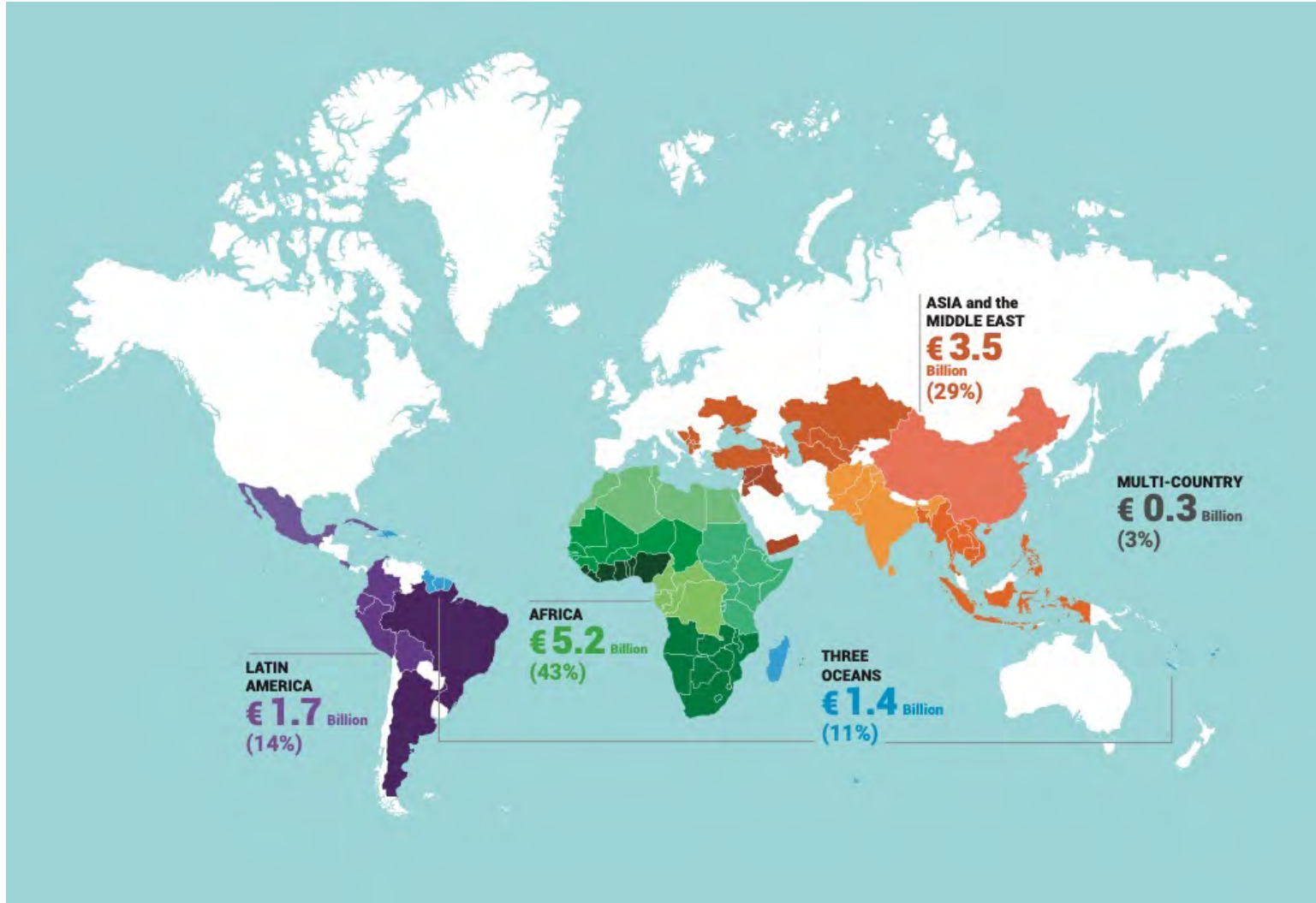
# AFD Group financial balance sheet 2021\*



- Our highest net result ever, despite the crisis (IFRS basis): **€298 M**
- Consolidated result: **€55.2 BN** (+2% compared to 2020)
- Net outstanding loans: **€42.1 BN** (+€4 BN compared to 2020, or +12%)
- Solvency ratio as of Dec. 31, 2021, meeting the Group's prudential requirements: **16.3%**
- Regulatory own funds as of Dec. 31, 2020: **€8 BN** (+€1.8 BN)
- Total bond issues **€7.6 BN**, of which 48% were green and sustainable bonds

\* Not including Expertise France, which joined the Group on January 1, 2022. Its activity will be included in the 2022 results.

# AFD Group activity worldwide



AFD Group is present in **115 countries** and in Overseas France. Our action is focused on **4 main geographical areas**. Distribution of our 2021 commitments once again confirms our priority on Africa.



# AFD Group's contribution to the SDGs in 2021



**13.9 million people** now have improved access to essential services



**More than 12.6 million girls are now** enrolled in primary and lower secondary school



**More than 2.4 million additional people** with access to sustainable electricity services



**1.4 million people** empowered through improved access to agricultural sector services



**More than 3.8 million women** benefit from better social protection



**125,550 people** supported in their income-generating activities or employment



**22.6 million people** with improved access to health care



**More than 4.6 million people** benefit from a safely managed drinking water supply



**450,200 people** access goods and services developed through local digital innovation

# AFD Group's contribution to the SDGs in 2021



**More than 19.7 million people** with better social protection



**More than 34.1 million city dwellers** and users benefit from improved quality of life



**More than 35 million hectares of territory** benefit from sustainable management programs



**More than 3.7 million tons** of CO<sub>2</sub> avoided or reduced



**More than 3.1 million hectares** benefit from biodiversity conservation/restoration programs



**More than 22.1 million hectares** benefit from biodiversity conservation/restoration programs



**More than 13.5 million project beneficiaries** in crisis and/or fragile areas



**600 partners** from civil society involved in AFD Group projects



# Proparco continues to expand its business



Proparco is AFD Group's operator for activities related to the private sector. Its goal is to promote sustainable, inclusive, and low-carbon growth models in developing countries and emerging markets.

## PROPARCO KEY FIGURES

- 2021 -

**€2.3BN**

in financing authorized in 2021, thereby making Proparco one of the leading international development finance institutions in terms of business size, with:



**€368M**

in projects promoting the economic empowerment of women



**€668M**

in projects with climate co-benefits



**€1.2BN**

devoted to Africa

**284**

projects signed



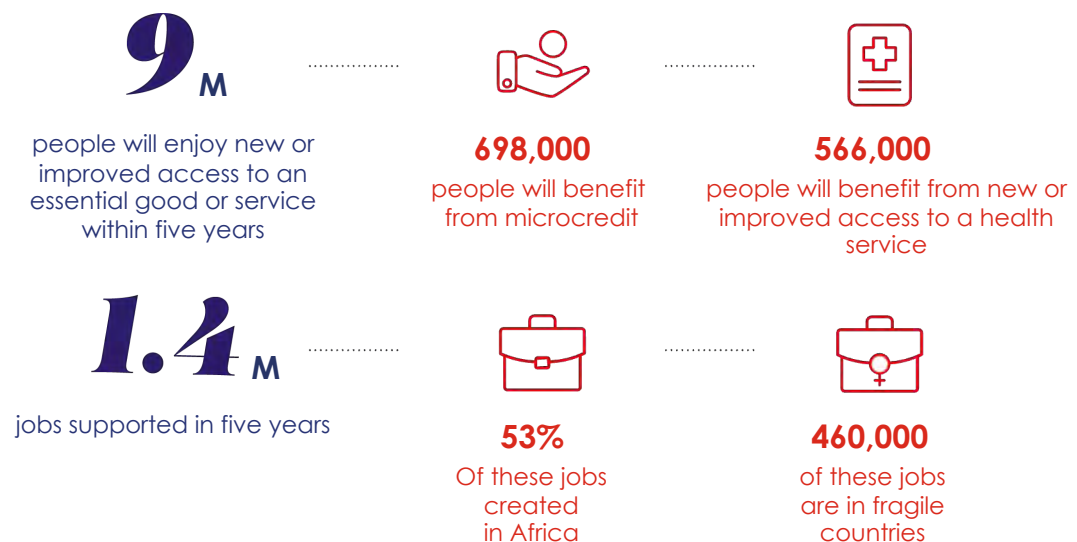
**€2.3BN**

in signed contracts

# Proparco's impact on the ground

The new 2020-2022 road map is in line with the main priorities of the AFD Group Strategy and reaffirms Proparco's key assignment of significantly increasing its impact on development and on achieving the SDGs.

## IMPACT ON THE GROUND



Proparco's goal is to double its impact over the 2020-2022 period compared to 2016-2018. To do so, it's mobilizing private players even more, so that private financing contributes more to achieving the SDGs. Proparco also fosters the emergence of the stakeholders and markets of tomorrow, especially in the most fragile regions. In addition to these main objectives, Proparco also puts into action the operational priorities that are the backbone of AFD Group policy:

- Climate finance
- Financial inclusion
- Financing of VSEs and SMEs, especially in Africa, with a proactive approach in fragile regions.



# Expertise France: strong business growth in 2021



Expertise France is the French interministerial public agency for international technical cooperation. It became a subsidiary of Agence Française de Développement on January 1, 2022.

## IMPACT ON THE GROUND

**€324 M**  
in business activity in 2021

**102**  
institutions and agencies benefiting  
from capacity building in determining or  
implementing their climate policy

**550**  
employees at its  
headquarters

**920**  
staff members in the field

**176**  
institutions and agencies  
benefiting from capacity  
building to improve  
mobilization of domestic  
public resources

**269**  
training centers or  
entrepreneurial-support  
organizations benefiting  
from capacity building

After a 2020 financial year marked by the impact of the pandemic, Expertise France ended 2021 with an annual growth rate of 37%. Its turnover climbed to **€324 M in 2021, matching the trajectory that had been set by its Agreements on Targets and Resources.**

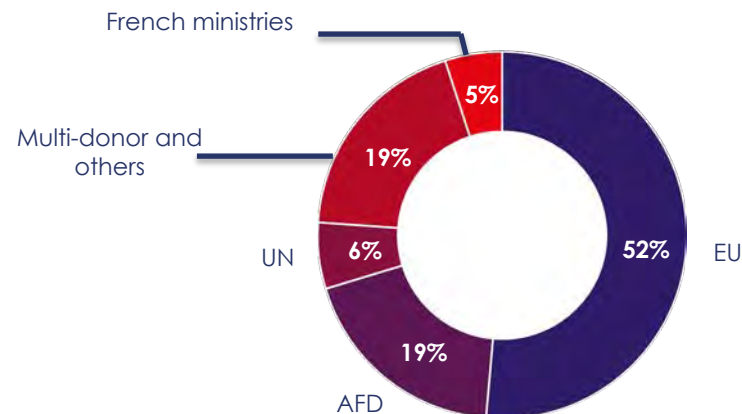
The 2021 financial results are proof of Expertise France's skillful management of the many challenges of that year: sharp business growth during a health crisis, changes in the social base, the move to a new site, integration of Justice Coopération Internationale, and strengthening of the partnership with AFD in advance of becoming its subsidiary.

Expertise France achieved financial equilibrium for the first time, with a positive net result (+ €1.8 M).

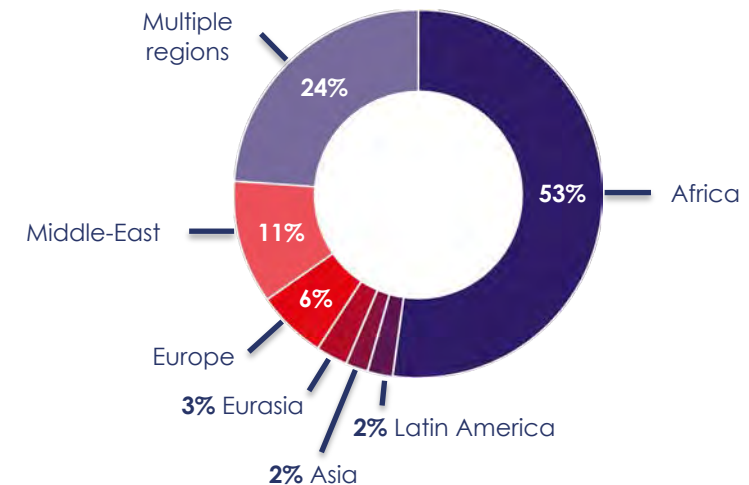
# Expertise France: growth aligned with French development assistance priorities

- The European Union remains Expertise France's largest donor, accounting for 52% of its portfolio in real 2021 terms. The French Ministries and Initiatives share was 19%, with an increase in value driven by Initiatives and the International Technical Experts (ITE).
- The 2021 financial year confirms the growing importance of Expertise France's partnership with AFD: from 12% to 19% of turnover between 2020 and 2021. In absolute terms, the AFD portfolio value stands at €60 M in real 2021 terms, i.e., double compared to 2020 and quadruple compared to 2019.
- On a geographical basis, Expertise France's business is highly focused on the priorities of French development assistance: 53% of 2021 turnover was in Africa; 24% was from multi-country projects, which are highly concentrated in Africa; and 11% was in the Middle East (mainly the Eastern Mediterranean).

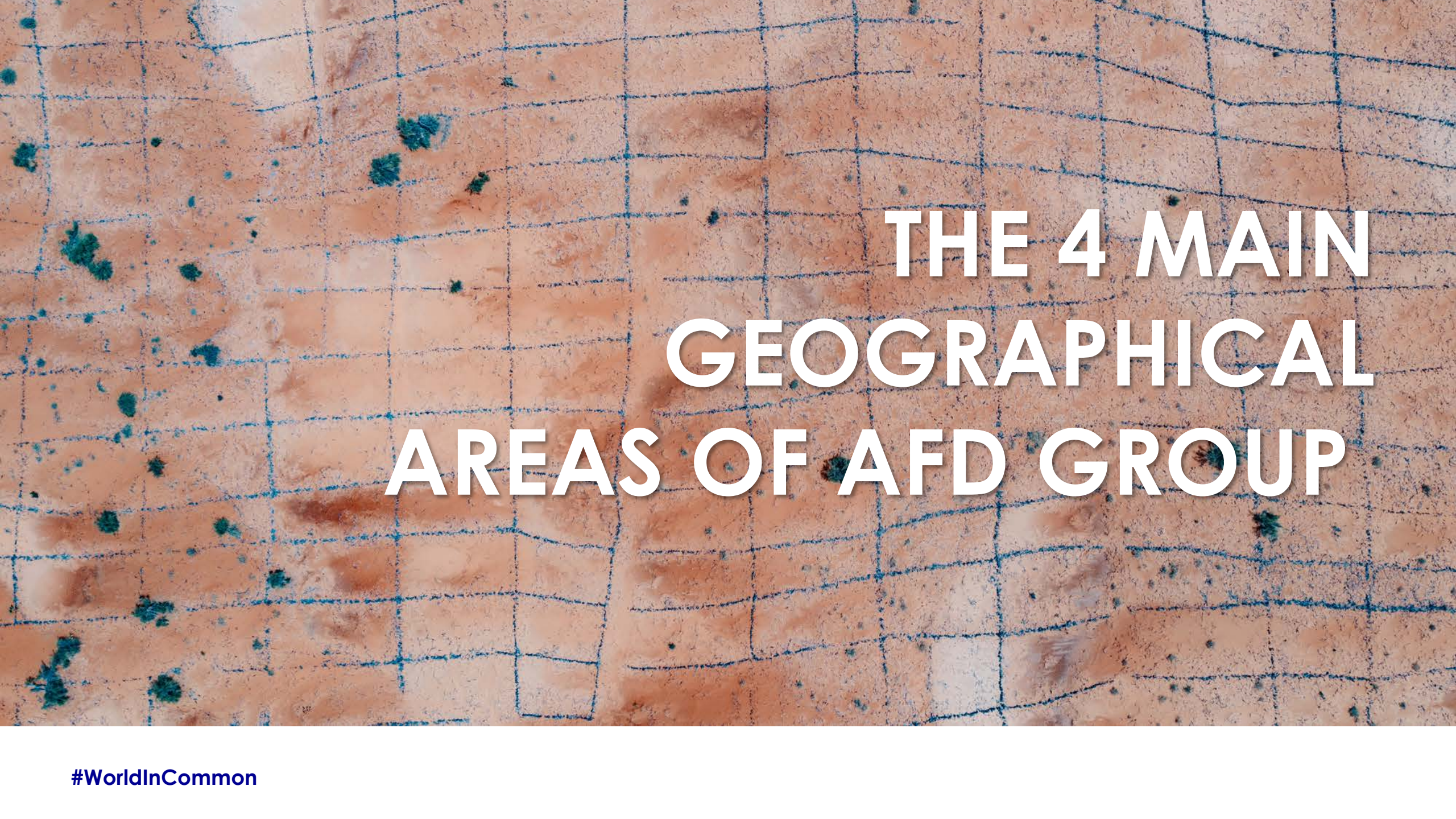
**BREAKDOWN OF REAL 2021 ACTIVITY BY DONOR**



**BREAKDOWN OF REAL 2021 ACTIVITY BY REGION**







# THE 4 MAIN GEOGRAPHICAL AREAS OF AFD GROUP



# Supporting transitions across the continent

AFD Group's Africa strategy encompasses the entire continent. Transnational issues are becoming more and more urgent, and intra-continental flows (of people, goods, and money) will continue to grow in the coming years.

Africa is also impacted by strong demographic pressure, security challenges, and the effects of climate change. To promote sustainable development in Africa, it's thus crucial to strengthen the ways in which spaces, problems, and common resources are managed there.

In 2021, Africa's growth rate in real GDP was higher than that prior to the crisis, indicating economic recovery. However, Africa still suffers huge challenges and growing inequalities.



# Supporting transitions across the continent



**€5.2 BN**

committed in Africa in 2021,  
representing 43% of AFD Group's  
activity



## Project examples:

- €60 million was allocated to support soft mobility in Yaoundé.
- €100 million in loans was issued to Nigeria to support the digital and creative industries.
- €156 million was provided by Proparco to support South Africa's Aspen Covid-19 vaccine project.
- €10 million was granted by AFD to the Afroscreen project, as part of the Health in Common Initiative. Conducted in partnership with the Pasteur Institute, IRD, and laboratories in 13 African countries, this project focuses on surveillance of Covid-19 variants.
- With more than €150 million in grants awarded in Africa through the Minka Peace and Resilience Fund, AFD Group is also very active in crisis areas, particularly in the Sahel.



## Proparco: working alongside entrepreneurs in Africa



### FOCUS

€3 BN

in financing committed since 2018, for VSEs and SMEs, including €780 M with a resilience component

“Choose Africa” is a French initiative launched in 2018 to help make France’s commitments to African start-ups, VSEs, and SMEs a reality.

The initiative provides several services:

- Financing in the form of loans or guarantees to local financial institutions to expand access to credit for VSEs/SMEs
- Capital investments
- Technical support

### EXPECTED RESULTS

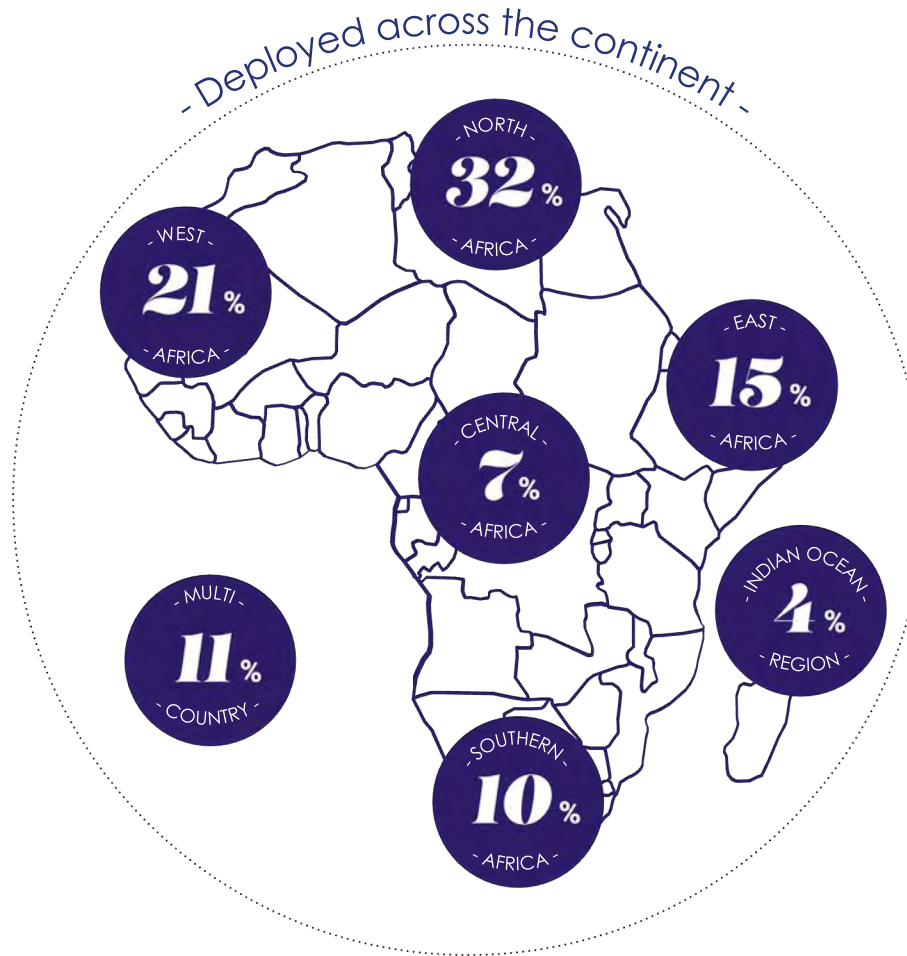
**1.5<sub>M</sub>**

direct and indirect jobs

**26,000**

companies and several tens of thousands of micro-entrepreneurs

# CHOOSE AFRICA supports African innovation



AFD Group has exceeded Choose Africa's initial target, having **committed €3 billion** by the end of December 2021. **Nearly 250 local partners** are contributing to the success of this initiative throughout Africa.

# Supporting sustainable development trajectories

Diverse development trajectories can be found in the countries of this broad region, which includes the Western Balkans, the Near East, Central Asia, and the Indo-Pacific. This region is crucial to our collective response to the world's challenges. However, various crises have weakened the resilience of the countries there, which must develop more sustainable and inclusive economic and social models. AFD Group's action in this region is designed to support low-carbon trajectories, consolidate social cohesion, and reduce vulnerability by mobilizing French and international players.



**€3.5 BN**

committed in 2021 in the Balkans,  
the Middle East, and Asia





# In Turkey, investing in the transportation of tomorrow

In 2017, drivers in Istanbul spent 59 hours stuck in traffic, according to a study by the Inrix research institute. The city also suffers from high levels of traffic accidents and pollution. The city of Izmir also faces congestion problems.

Today, in Istanbul and Izmir, metro and tramway lines are starting to replace the motorized public network of buses and minibuses.

AFD Group's relationship with the Istanbul Metropolitan Municipality (IMM) began as soon as our Turkey office opened in 2004. Since then, we have granted **four loans totaling €351 million to support the investment program to develop the metro network.**



# Combating the effects of climate change & inequality

AFD Group's actions in Latin America are in line with the Paris Agreement. They focus on far-reaching policies and projects to fight climate change and adapt to its consequences.

This is why **70% of our annual commitments in Latin America must include benefits that are positive for the climate.** But there will be no ecological transition without social cohesion and justice. AFD's financing thus also seeks to strengthen social links, by reducing all forms of inequality, protecting human rights, providing access to quality public services (such as education, health care, social protection, and transportation), as well as promoting citizen participation.

AFD Group has committed €12.2 billion in the region since 2009.



**€1.7 BN**

committed in Latin America in 2021





## Soy Barranquilla: a model development plan

Since 2020, AFD has been supporting the Colombian city of Barranquilla in implementing its *Soy Barranquilla* ("I am Barranquilla") 2020-2023 Development Plan. Through a loan worth €120 million, we are helping to support climate change adaptation, restoration, biodiversity and environmental protection, natural disaster risk management, and social inclusion of the poor.

This operation is unprecedented in two ways: not only is it the first loan granted by AFD to the city of Barranquilla, but it's also our first loan in local currency (Colombian pesos) in a South American country where AFD Group operates.





# In Overseas France, protecting the ocean and surrounding areas for the future

To meet the specific needs of the French Overseas Territories and to better integrate them into their respective regional basins, AFD has developed its “Three Oceans” strategy, which seeks to build a powerful link between France and its territories’ neighbors.

To develop concerted regional approaches in each of the Overseas ocean basins, AFD Group’s network is structured into three regional divisions: Atlantic Ocean, Indian Ocean, and Pacific Ocean. These divisions promote closer relations between Overseas France and the countries in their same regional basin.

The Three Oceans policy strengthens convergence between our Overseas France actions and our international actions. The focus is on economic and social development and on tackling common challenges such as the fight against climate change and inequalities.



### €1.4 BN

committed in the  
Three Oceans in 2021



# One Health and health security in the Indian Ocean

The Member States of the Indian Ocean Commission (IOC) share a common space that must be protected against infectious diseases and epidemics. To reduce the health risks and to develop effective epidemiological surveillance and response systems, AFD Group supports the IOC Health Watch project.

The IOC Member States have created a network for epidemiological surveillance and alert management called "SEGA." It is supported by AFD Group and has been strengthened in epidemiological surveillance, regional alerts and response management, training, and research cooperation. SEGA has adopted an approach that recognizes the link between human health and animal health: the One Health concept.

RSIE 4 is the next phase of the IOC Health Watch project, co-conducted with the European Union (EU). Its aims include providing additional health surveillance and response activities, extending the health surveillance system to cover risks of climate change impact, strengthening national laboratory systems, and creating a common regional crisis response system as part of the One Health approach.



**The Indian Ocean Region: working together to preserve global public goods**





# FIVE COMMITMENTS, ONE AMBITION: THE 2030 AGENDA



# Working to implement the Paris Agreement

AFD continues to implement its 2017-2022 climate strategy and its five commitments, which were revised upwards in 2020 during the strategy's mid-term review:

1. Ensuring that our activity is "100% Paris Agreement"
2. Increasing climate finance
3. Redirecting financial flows
4. Creating solutions together
5. Aligning AFD Group's internal practices



## 5.5 M tons

### of carbon equivalent per year

That's the amount of emissions that will be avoided each year by the mitigation projects approved in 2021, over the project lifespans.



## €6 BN

**That's the volume of financing** AFD Group devoted to the fight against climate change in 2021.

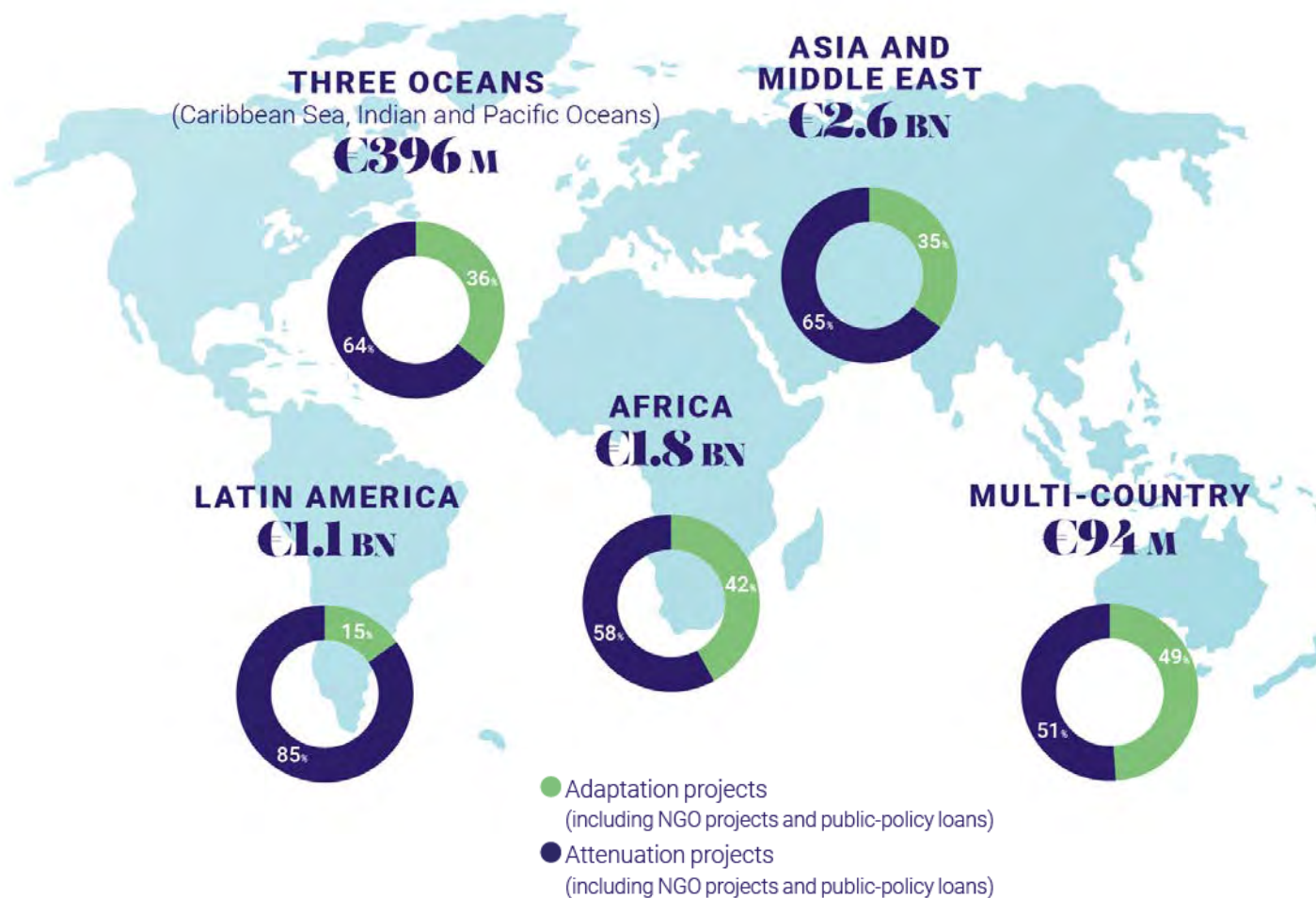
**This figure includes €2 BN for adaptation and €2 BN to promote biodiversity.**

Most of this financing also included gender equality co-benefits.

# Our activity in 2021

## Trends in Group commitments

since 2017, in € BN



# Gender and climate: two closely bound issues

According to the IPCC, women suffer the effects of climate change in a way that is different and disproportionate compared to men. Their empowerment is crucial for resilience to climate change, because adaptation strategies are more effective when they are inclusive.

**More than 60% of AFD's climate projects help to reduce gender inequalities.**

This figure can be improved by further integrating the gender dimension into climate vulnerability studies, or by looking for projects with a dual climate-gender benefit, such as those backed by the Support Fund for Feminist Organizations (FSOF). The FSOF is receiving €120 million in funding over the 2020-2022 period. It is co-managed by the French Ministry for Europe and Foreign Affairs and AFD Group.





# Support for agriculture: again an urgent issue in 2021

The number of people suffering from hunger in the world has been steadily increasing for several years.

The causes include the degradation of natural resources, climate change, conflicts, and the crisis linked to Covid-19. To fight these causes, AFD Group works in-depth on several issues:

- Support for family farms
- Development of agroecology
- Access to food for poor people
- Nutrition
- Agricultural production of basic food products



# AFD's commitment to prevent food crises



## €160 M

That's the amount mobilized by AFD in 2021 to finance new projects to promote agriculture and food security.

AFD Group and the EU are jointly supporting the food security storage system of the Economic Community of West African States (ECOWAS). This system is based on the principle of solidarity between ECOWAS countries with regard to basic foodstuffs, which are stored and mobilized when needed for food crises.

In Niger, AFD provides direct support for the country's food crisis prevention and management system. We help strengthen the national institutions working on the issue and provide them with capacity building to anticipate and respond to crises.



# Improving governance for greater impact

Our funding for governance and human rights issues reached a new high in 2021: €1 billion, of which nearly 75% was intended for Africa. Indeed, the Programming Law on Inclusive Development and the Fight Against Global Inequality adopted by the French Parliament last year makes these issues one of the four pillars of France's development policy.

In the five years since official French funding for these issues was transferred to AFD, we have invested €5 billion to promote better governance and human rights via 214 projects in 47 countries. Examples include environmental and climate justice projects in Laos and the establishment of gender-sensitive budgeting in Morocco and Jordan.

## 55% of commitments

benefit non-sovereign stakeholders (civil society organizations, local authorities, and the private sector).



# AFD Group and the European Union: a long-term relationship

**AFD Group and the European Commission have been working together since 2008 to make their actions more effective.**

In addition to the common agenda set by the United Nations through the SDGs, these two institutions share a common goal focused on a sustainable, inclusive, green, and digitally supported recovery. For example, AFD Group and the EU are pursuing similar climate goals in line with the commitments made in the Paris Agreement, as well as common objectives in gender equality.



## Strong relations between AFD Group and the European Commission

AFD Group has been accredited by the European Commission for over ten years



### Between 2014 and 2020





# The Team Europe approach, to increase collective impact

Beyond its close partnership with EU institutions, AFD Group is pursuing a broader strategy of building links across Europe to maximize impact.

We participate fully in the ecosystem of European cooperation through discussions with our bilateral and multilateral counterparts and by promoting co-financing mechanisms.

In this way, European development banks and financial institutions are implementing the new “Team Europe” approach. They are committed to strengthening cooperation, clarifying and simplifying their offer, streamlining their procedures, and strengthening their impact, in close collaboration with their African partners.

**“AFD Group participates in both the design and the financing of Team Europe initiatives. Our aim is to unite all the forces of European development cooperation around truly transformational projects that support the priorities of our partner countries.”**

Koen Doens, Director General at the European Commission's DG for International Partnerships (INTPA)

## 2021-2027: the new #TeamEurope strategy

This involves **co-financing between European** development aid stakeholders for increased visibility and efficiency



Financing is borne by a single operator on behalf of European public development banks

Forthcoming common platform for financing with European partners:





LOOKING AHEAD



# Youth and innovation in all our actions

In Ouagadougou, Montpellier, and most recently at the EU-AU Summit held in February 2022, French President Emmanuel Macron outlined new opportunities for renewing and redefining relationships between Africa and France. This is a space that will be characterized by truth and action.

AFD Group will transform the President's commitments into a massive investment targeting African youth, by financing initiatives by and for youth in several sectors:

- Sports:
  - Support for sports academies in Africa to facilitate the professional integration of young people
  - The signing of a partnership agreement with the French federations of collective sports
  - The signing of a partnership with the organization committee of the 2024 Paris Olympic Games, on projects that combine sports and sustainable development
- Cultural and creative industries:
  - €5 million to strengthen two flagship programs that are already supporting cultural projects on the continent: *Accès Culture* and *Afrique Créative*
- Private sector and innovation:
  - €130 million to support African start-ups, thanks to the closer relationship between Digital Africa and Proparco
  - Launch of a new community of entrepreneurs to network African SMEs and VSEs



# The new Africa-Europe alliance

In the light of the French Presidency of the Council of the European Union, a renewed relationship between Africa and Europe was presented at the EU-AU summit, particularly in terms of sustainable and inclusive investments.

The partners are considering their relationship from many angles: vocabulary, the nature of their interactions, and in more concrete terms regarding their actions on infrastructure, the economy, health, innovation, climate and employment.

The main challenges:

- Investing in sustainable infrastructure
- Financing SMEs, which are a driver of African growth and the jobs of tomorrow

AFD's commitments to meet these challenges:

- **Choose Africa** is an initiative that supports more than 1.5 million jobs in all. Nearly 2,500 companies will also benefit from its technical support.
- **Mobilization of Team Europe** is helping to determine sustainable normative frameworks, develop private-sector investments, and finance quality projects and solid local public entities. The strengthened cooperation among all the European stakeholders represents a change of scale, for a new type of partnership between Africa and Europe.





# AN AFD GROUP 100% SDG

The Covid-19 crisis and its economic, social, and systemic consequences have increased the challenges to implementing the **Agenda 2030**. That's why **financing needs are now more acute**, especially for developing countries.

Because our field of action covers all the SDGs through the projects we support and finance, **AFD Group sees itself as a key player in the international mobilization to reach these goals**. We must strive to meet our clients' needs for accelerated ecological transitions. But this requires reinventing a sense of solidarity within renewed relationships and redesigned democratic frameworks. For this reason, it is crucial to intensify the mobilization of political, financial, partnership, and citizenship mobilization to promote the SDGs.

To better support our clients, we have **strengthened our Sustainable Development Analysis and Opinion system**. This SDG alignment tool allows us to **better evaluate the expected effects of a project on each of the dimensions of sustainable development**, and then to improve them.

AFD Group undertakes to **report on this SDG-oriented action even more effectively and transparently** before, during, and after projects, in a coordinated and joint effort by the Group's three components.



# GENERAL MOBILIZATION

Our reliance on partnership to promote development is now part of our DNA. This will help the new AFD Group to collectively deploy more resources, energy, skills, and convictions to support the Agenda 2030 and the Paris Agreement. We have several ways to put this in motion:

Through our driving role within the IDFC and FiCS networks, we will **mobilize more financing to promote the SDGs**, through an approach involving the ecosystems of French institutions, EU institutions via Team Europe, and international institutions. The countries where we operate will also be involved, thanks to the new dialogue on public policies regarding sustainability trajectories and exchange of expertise.

We will share, disseminate, and utilize **expertise** to co-construct solutions promoting the SDGs. The added value of Expertise France will help AFD Group fully implement this component of our action.

AFD Group is keen to **strengthen its role in mobilizing citizens** in support of the SDGs. This far-reaching objective will become a reality as we scale up implementation of our mandate to promote education in citizenship and international solidarity, as entrusted to AFD in 2016 by France's Interministerial Committee for International Cooperation and Development.



# SUSTAINABLE DEVELOPMENT GOALS



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