




Studies & Research

ACTIVITY REPORT

2021



At the heart of AFD Group research are inequalities and efforts to reduce them, the ecological transition, management of shared resources and economic diagnoses of countries where AFD operates. The results of our research can be of use not only to decision-makers, but also to the public at large, while also highlighting the pertinence of AFD Group's operational and strategic decisions. To achieve the objectives set by the Group, the research underscores the need to work more closely with stakeholders in developing countries, at both the national and international levels.

Conducted by multi-disciplinary teams, our research allows us to co-design development trajectories with our partners and to identify public policies best suited to the contexts and geographies in question.

This 2021 report lays out the main trends in AFD Group activity in terms of geographical distribution, volume, priority areas, and value-added products. It illustrates the distinct position that research holds in the Group around its five flagship programs.

AFD Group's strategy for studies and research

AFD Group's strategy for studies and research is in line with the priorities of its Strategic Orientation Plan (SOP). Divided into five flagship programs, it emphasizes public policy dialog and research in developing countries.

Why does AFD do research?

- To provide our partners with high quality research that informs and supports public policy.
- To enhance the visibility and reach of our operational and strategic activities.
- To increase our cooperation with research partners in developing countries.

Multi-disciplinary,
with a focus on
academic excellence

Innovative,
with flagship
programs and the
documentation
of emerging
phenomena

Addressing
several Sustainable
Development Goals
and contributing to
public policy dialogs

With and for
research in the
Global South



Our flagship programs

1



Inequalities

2



Commons

3



Sahel

4



Macroeconomic
analysis

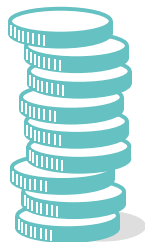
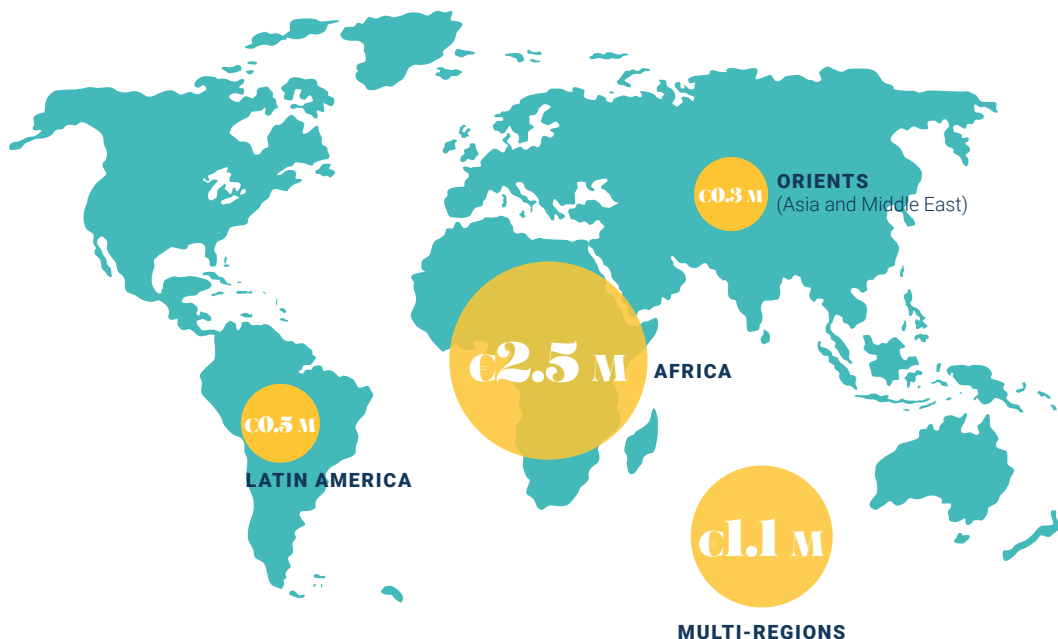
5



Environmental
transitions

Studies and research funded in 2021

Amounts devoted to studies and research contracted in 2021 by region



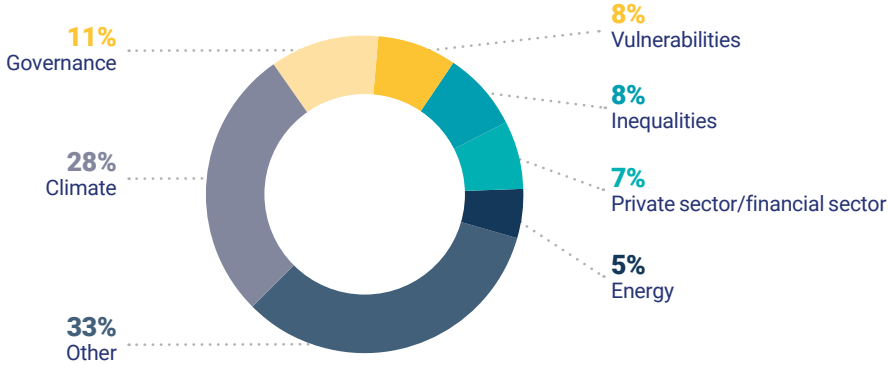
105 studies and research programmes contracted
(€4.4 M)

+

5 research projects implemented by partners
(€7.5 M)

= €11.9 M devoted to research activities in 2021

Breakdown of studies and research contracted in 2021 by topic (% of the amount)



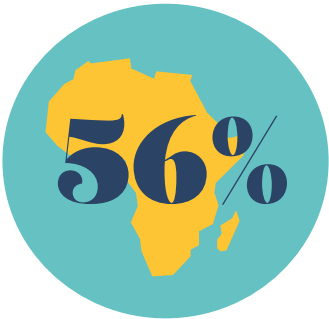
Just transition in Southeast Asia

In Southeast Asia, AFD is exploring several facets of the just transition in Lower Mekong countries. These studies focus on issues such as the links between inequalities and environmental degradation, and between social protection and environmental challenges. They are based on systematic reviews of the literature and all advocate for the need to include the economic, social and environmental dimension in analyses and an integrated approach across regions and disciplines, as well as the construction of common socio-ecological systems at various levels.

Further reading on afd.fr

- “Environmental Inequalities in the Mekong Basin: Systematic Mapping of Existing Knowledge”
- “Just Transition in South-East Asia: Exploring the Links Between Social Protection and Environmental Policies”

Focus on Africa



of the amount
for studies and research
contracted in 2021
focused on Africa

Supporting research in developing countries

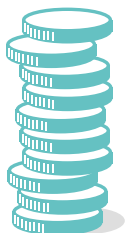
The expertise and innovation produced locally enable us to address the specific sustainable development issues of the countries concerned as closely as possible and contribute to defining their public policies. Nevertheless, research is underfunded in most of the countries where we operate. Researchers and research spaces exist, but they are generally isolated, not very visible, and not well connected to the public debate and decision-makers.



With this in mind, **AFD Group is now focusing on supporting national research, and consolidating networks of researchers in developing countries**, in line with its objective of increasing research partnerships and carrying out projects that strengthen and promote research capacities in the countries where it operates.

AFD Group supports and assists research in developing countries in various ways:

- **by systematically involving** local teams in the research that it finances in a given country
- **by financing** projects to reinforce research capacities in developing countries
- **by supporting** numerous initiatives to assist young researchers in developing countries
- **by producing** knowledge on research in developing countries through publications or events



€1.8 M

is the financial equivalent of studies and research contracted by AFD with the involvement of at least one partner from the region concerned

Support for strengthening research capacities in developing countries

The Clermont-Ferrand International Development Hub (PCDI) project supported by AFD comprises a component dedicated to supporting research in developing countries, led by the Global Development Network. It is helping partners in five African countries to produce and promote knowledge on sustainable development issues, while building the capacities of researchers and research institutes: media training, writing workshops, doctoral schools and institutional capacity building.

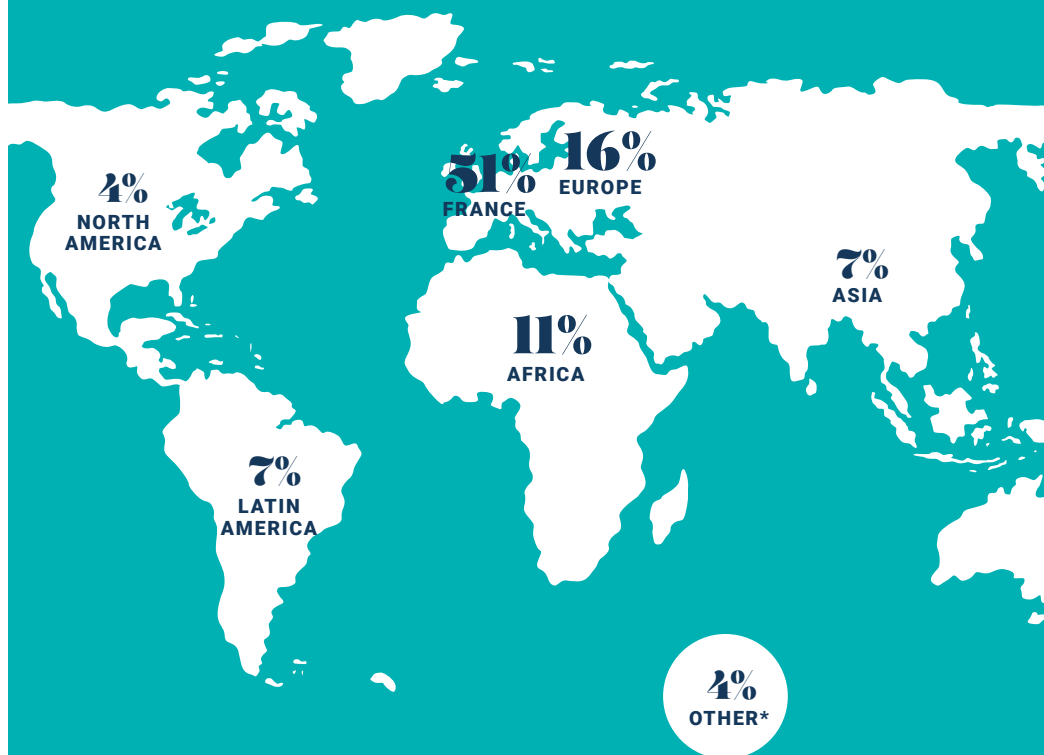


Find out more on afd.fr

Our partners

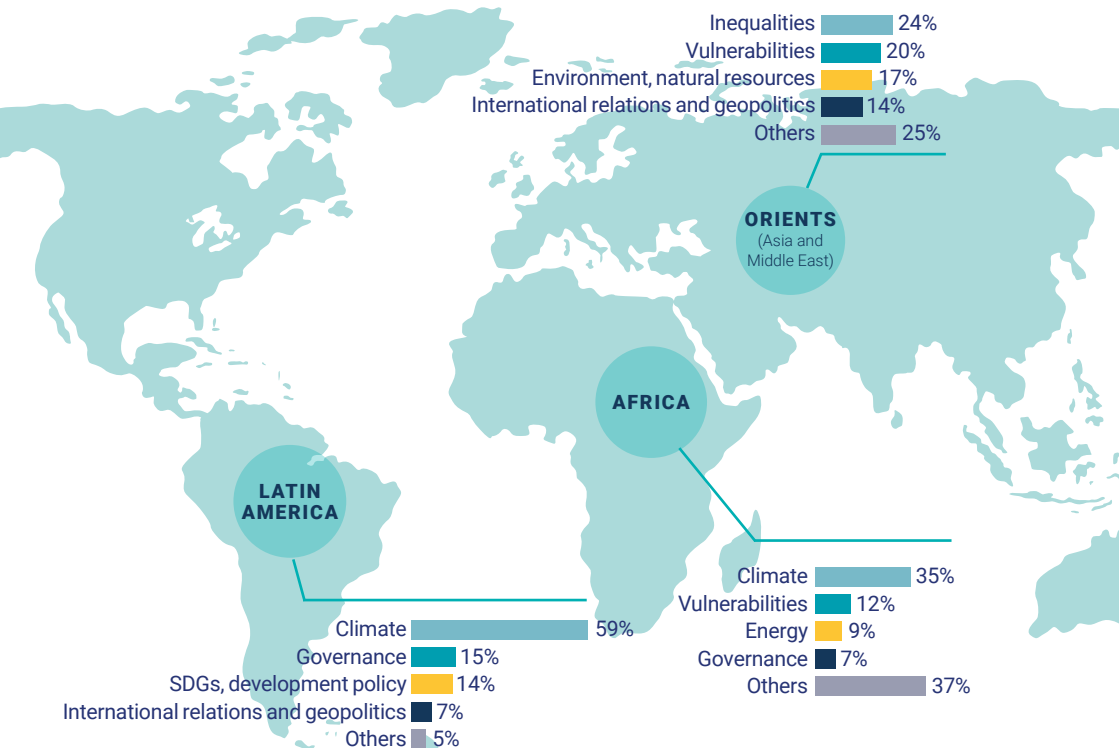
AFD Group partners in new studies and research in 2021

As a % of the number of partnerships



* Partnerships with international organizations

Studies and research aligned with AFD Group's strategic priorities



Public Development Banks: Key actors in sustainable finance

Responsible for 10% of global investment, Public Development Banks (PDBs) have a major role to play in the achievement of the Sustainable Development Goals (SDGs). With the Institute of New Structural Economics (Peking University), AFD has jointly built a database of 527 PDBs, together with five thematic studies highlighting the crosscutting nature of these banks. With the SDG Prospector, AFD also explores the use of artificial intelligence to map the alignment of PDBs with the 2030 Agenda.



Consult the database & the SDG Prospector on afd.fr

Flagship projects in 2021

Biodiversity & financial risks



The study “A Silent Spring for the Financial System?” provides an analytical framework to understand the risks that biodiversity loss poses to the French financial system. It thereby opens up a field of research on the inclusion of biodiversity in development trajectories.

Debt sustainability



Debt reaccumulation in African countries over the last decade has been coupled with a transformation of their debt profile and a diversification of their external creditors. An analysis of these trends provides insight into the gradual deterioration of the sustainability of public debt in Africa.

Inequalities



The Research Facility on Inequalities is assisting the Colombian government with the implementation of effective public policies by working on inequality diagnostics and fiscal incidence assessments.

ESTEEM



The ESTEEM tool analyses the macro-structural vulnerabilities that could emerge in developing countries as they embark on their transition to low carbon economies. The tool assesses three aspects of the dependence on declining industries: external, budgetary and socio-economic.

Arab-Islamic Education in the Sahel



This project has furthered knowledge of this widespread but still little known phenomenon and shared it with stakeholders and decision-makers in the Sahel region.

Common goods for health



The study shows that widespread access to therapeutic tools against Covid-19 depends on their production conditions. It presents factors that can be used to build a global governance treating health products as common goods.

Public policy dialog

At AFD Group, research is positioned at the intersection between the academic world and the world of decision-makers in order to contribute to public policy dialogs and to public debate.

Through its research, its networks of academic partners and think tanks and its operational experience in the field as a public development bank, AFD Group seeks to contribute to debates on public policy

options that are compatible with sustainable development trajectories, taking into account planetary limits and societal thresholds.

6 countries

are developing GEMMES models to document their long-term trajectories

3 territories

have been subject to an ESGAP diagnosis of strong environmental sustainability

4 countries

are holding a dialog with AFD Group on issues related to inequalities and the just transition

Strong sustainability and public policies

AFD conducts its trajectory analyses from the perspective of strong sustainability, recognizing interlinkages between the preservation of the integrity of ecosystems, the reduction of inequalities and prosperity. These analyses are made using various tools (including GEMMES, ESGAP and fiscal incidence assessments) and inform public policy options compatible with the 2030 Agenda.



Just transition in South Africa

AFD and the European Union, in coordination with the Office of the President in South Africa, have launched a research program to assist with the development of public policies and their implementation at the national and municipal levels. The objective is to promote linkages between infrastructure-led and job-creating growth and initiatives that bring about a transition respectful of social and environmental balances.



Dissemination of studies and research

AFD Group's studies and research results are disseminated in a variety of ways: organizing conferences and webinars, and numerous publications for both expert and lay audiences.



**research-related
events were held in 2021**



**opinion columns and publications
in 2021**

Conference on financing African research

International aid plays a key role in financing and strengthening African research. Nevertheless, it can also weaken African research institutes in the long term. In June 2021, two webinars questioned the role of aid and identified existing needs and donor strategies.



Watch the replays on afd.fr



"Climate Change in Vietnam: Impacts and Adaptation" report

Prepared as part of the GEMMES Vietnam project and published for COP26, this collective publication explores the socio-economic impacts of climate change in Vietnam, at the macro-economic level and at the level of the Mekong Delta. A webinar took place for each of the 13 chapters to feed into reflection on the links between climate change and the country's dynamics of industrialization and modernization.



Download on afd.fr

Towards a World in Common

AFD Group contributes to implement 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 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.



www.afd.fr/en - Twitter: @AFD_en - Facebook: AFDOfficiel

5, rue Roland-Barthes - 75598 Paris cedex 12 - France

Tel: (+33) 153-443-131