



RÉPUBLIQUE  
FRANÇAISE

*Liberté  
Égalité  
Fraternité*



# Governance

ACTIVITY REPORT

2021

#WorldInCommon



**I**n 2016, the Ministry for Europe and Foreign Affairs (MEAE) entrusted AFD with the funding of projects in matters of governance. This has led to the setting up of AFD's Governance Division, which today numbers some 20 people in Paris and in the field.

This mandate has enabled AFD to move into a new area of expertise, one that is highly diversified and relevant to its overall activity, adding coherence to AFD's work. In this way, the governance mandate strengthens our coherence and brings more meaning to our activities in the field.

Our governance activity, deployed in some 50 countries and using most of AFD's range of tools, continues to prove relevant every year, with its commitments totalling almost €5 billion at the end of 2021.

AFD wishes to consolidate its existing portfolio by engaging in an extensive effort of evaluation, learning and sharing good practices and experiences to date. It also wishes to commit to new operational deployments as well as to cutting edge development ideas (environmental and climate justice, green budget transition, disaster risk governance, climate and inequalities, institutional climate governance), enabling governance to actively contribute to the achievement of global challenges (combating global warming, respect for biodiversity or combating inequality).

# AFD's governance strategy

Our activity in the area of governance aims to build fair and inclusive societies that respect the freedoms and rights of all living beings. AFD finances projects that promote an institutional, political and civic environment that is conducive to fair and sustainable development, to (re)building trust between populations, states and institutions, and to supporting change-makers who initiate innovation and transformation in their territories.

## ■ AFD's governance initiatives aim to:

- **Align our work with the Sustainable Development Goals (SDGs), especially with SDGs 16 and 17**, which target capacity building and effective partnerships between governments, the private sector and civil society
- **Place the stakeholders back at the heart of the structuring and implementation process of the projects we finance**, through cooperation and construction
- **Support project beneficiaries in their role as strategic pilots**, so that they become true change-makers and fully carry out their missions of public service and the general interest



### ● JUSTICE

Promoting access to justice and the law



### ● DEMOCRATIC PROCESSES AND THE MEDIA

Restoring trust between people, states and institutions

Our governance activity focuses on

**5** major themes:



### ● STATE REFORM

Modernizing and improving public sector performance



### ● PUBLIC FINANCE

Improving revenue mobilization and the quality of expenditure



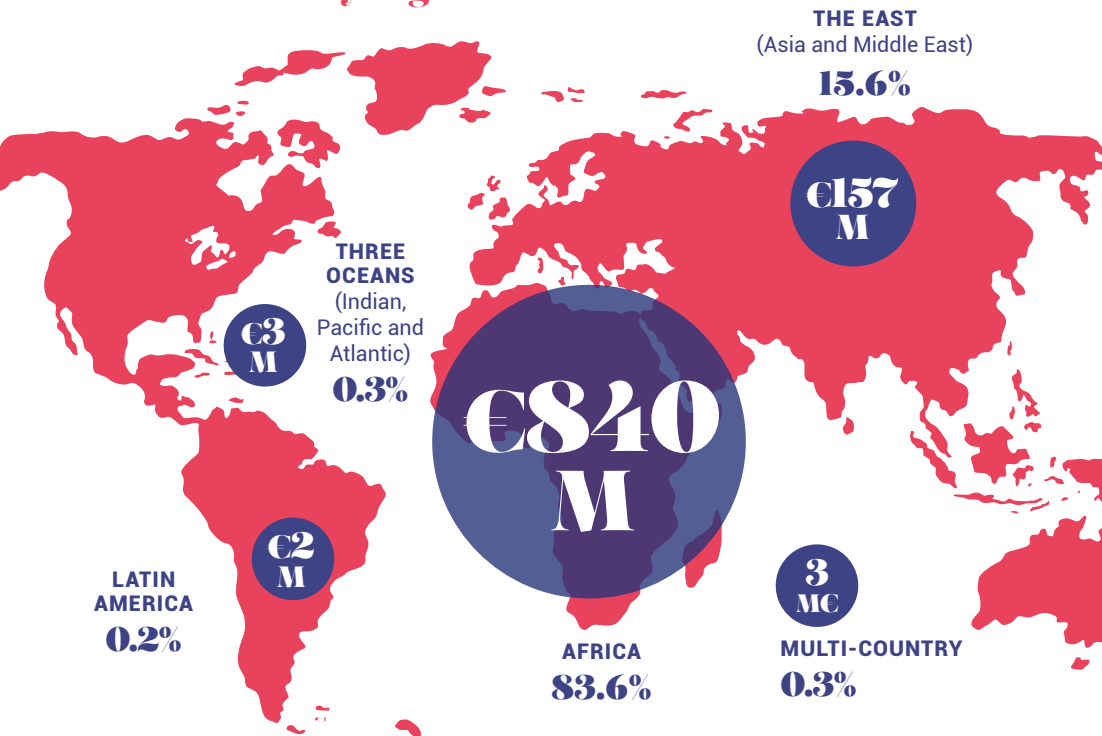
### ● MIGRATION

Making the most of the contributions of migration and combating the causes of forced migration

# Our governance activity in 2021

Following a year marked by the Covid-19 pandemic, which had a major impact on AFD's governance activity, financial commitments picked up again in 2021, rising to an unprecedented level of over €1 billion.

## Breakdown by region



**€1 billion**

Committed by AFD in the area of governance in 2021

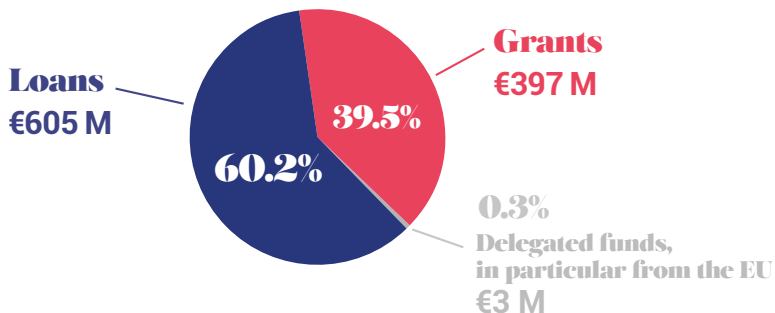
**47 countries**

Benefiting from our governance activity

**Almost 84%**

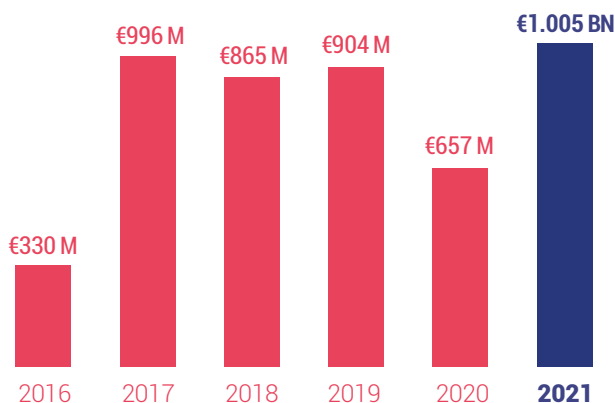
of funding devoted to Africa, the main area where AFD is operating. In 2021, €97 M in grants targeted issues such as state governance and reform in the Sahel.

## Breakdown by financial instrument

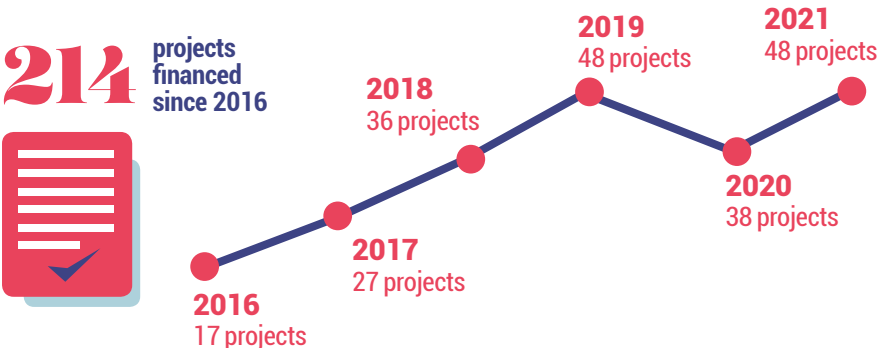


Of this total, AFD was able to mobilize almost all of its financial tools.

## Trends in commitments



## Evolution in the number of projects



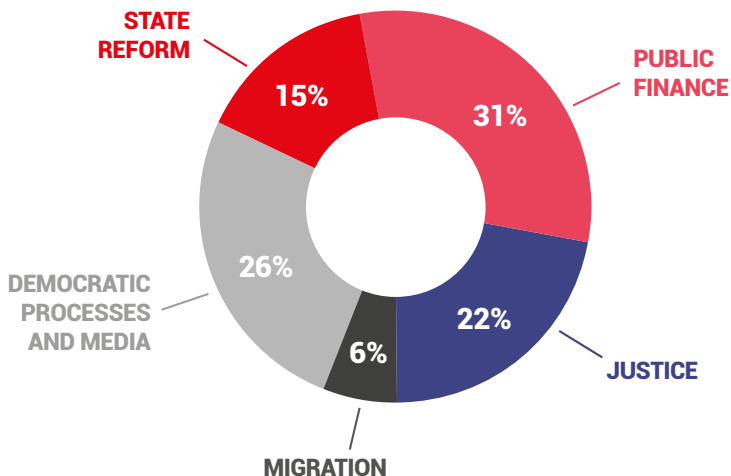
# Governance

## and its areas of activity

AFD wishes to go beyond a state-centric vision by working with all stakeholders involved in the management and regulation of resources and interests. Beyond the State, AFD is engaged with civil society organizations, local authorities, communities, citizen and professional groups, and public and private companies.

- In 2021, AFD supported projects strengthening democratic processes (notably support for the media), State redeployment (access to justice, mobile public services) and the protective role of the State (civil protection).
- Grant funding focused mainly on the African continent, was primarily devoted to strengthening public finances, supporting democratic processes and consolidating justice.
- AFD continues to be active in Latin America, the Indian Ocean and the East, with significant activity in the Indian Ocean island states, targeting crisis prevention, natural disaster risk reduction and the involvement of diasporas in the development of their home territories.

## Distribution of donations by theme



# Public finance



To finance their development policies and provide essential services (such as health, education and water), governments must better manage their financial resources. AFD is committed to improving the mobilization of domestic resources, enhancing the quality of expenditure and ensuring prudent management of public assets.

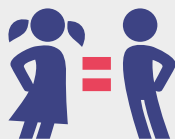
**€905 M** committed in the area  
of public finance in 2021



**Regions concerned:**  
Africa, The East,  
Latin America,  
Three Oceans



**Beneficiaries:** ministries of finance,  
supreme audit institutions,  
public procurement authorities,  
financial institutes, etc.



## **Jordan** Institutionalizing and scaling up gender responsive budgeting (GRB)

Jordan's gender equality agenda focuses on actions directly targeting women and inequality and greater integration of gender into policies, programs and projects. Jordan is committed to scaling up gender responsive budgeting, given the powerful leverage it provides in the development and implementation of public policies aimed at reducing gender inequality.

This project aims to take gender inequality fully into account at all stages of the budgetary chain. Four ministries (Health, Education, Labor and Political & Parliamentary Affairs) will oversee its implementation. A technical assistance program will accompany a first circle of partners: the Ministry of Planning and International Cooperation, the General Budget Directorate, the National Commission for Women and the four controlling ministries.

■ **Public policy loan: €150 M**

■ **Technical assistance grant entrusted to UN Women: €1.5 M**

# State reform



AFD supports structural State reforms to improve public service delivery. States are indeed the primary players in development matters, particularly because they provide basic services (including health and education) and endow communities with a peaceful and inclusive socio-economic environment.

**€51.7 M** committed to state reform projects in 2021



**Regions concerned:**  
Africa, The East,  
Three Oceans



**Beneficiaries:** interior ministries, the civil service, national Schools of Administration, Civil Status Offices, General Secretariats of Government, Prefectures, City Halls, etc.



## **Tunisia** Support for the integrated disaster resilience program

Tunisia is especially exposed to the increase in natural disaster risks due to climate change. In the wake of the 2018 Nabeul floods, the government drew up a national disaster and climate change resilience program. This program supports the implementation of four objectives: reducing flood risks; strengthening disaster preparedness; enhancing financial protection and promoting institutional coordination and the establishment of a legal framework conducive to disaster risk management.

**AFD is supporting the implementation of the program in partnership with the World Bank; an implementation that will be entrusted to Tunisian government institutions.**

- **AFD sovereign loan - €40 M**
- **World Bank loan - €41.3 M**
- **Technical assistance grant - €1.5 M**



# Democratic processes and the media



AFD is working to support more open, transparent, and inclusive societies, in particular by strengthening interactions between public authorities and populations, by backing the transparency of public action and by promoting the freedom of information. It promotes the transformation of stakeholders (public institutions and civil society) so they can engage in more effective dialogue, based on better access to quality information and the implementation of appropriate transparency and accountability mechanisms.

**€20.7 M** committed to democratic processes and the media in 2021



**Regions concerned:**  
Africa, The East,  
Latin America,  
Three Oceans



**Beneficiaries:** ministry of women's rights, Good Governance, etc., CSOs, independent media, Indian Ocean Commission, etc.



## Ethiopia Support for a democratic, pluralistic and innovative civil society

In 2019, Ethiopia adopted a new legal framework aimed at creating a favorable environment for civil society organizations (CSOs) to operate and evolve. AFD supports this policy by acting at the institutional level with the Agency for Civil Society Organizations (ACSO) and by directly supporting certain CSOs.

In order to support the development of a more democratic, pluralistic and innovative civil society, AFD is financing two complementary projects:

- **Strengthening the ACSO** as the institution responsible for implementing the new proclamation on civil society organizations. Technical assistance is provided to help define and implement the activities, procedures and tools for its organizational transformation and the redesign of its operational processes.
- **Financial and technical support** to 16 CSOs in three consortia selected by calls for proposals.

■ **Grant - €4 M**

# Justice



AFD supports access to justice for all and the respect for economic, social and environmental rights by developing a secure legal framework for goods and people. Our projects take into account the entire legal sphere and are established in close collaboration with legal professionals and countries' ministries of justice. They make it possible to improve access to justice for citizens and vulnerable populations (particularly women and minors) and to improve living conditions in detention through a rights-based approach

**€21.5 M committed to justice in 2021**



**Regions concerned:**  
**Africa, The East,  
Latin America,  
Three Oceans**



**Beneficiaries:** ministries of justice,  
prison administrations, judiciary and  
court officers' schools, civil society  
organizations, etc.



**Latin America**  
**Environmental and climatic  
justice (Mexico, Costa Rica,  
Ecuador and Bolivia)**

Latin America is one of the world's largest reservoirs of biodiversity, but also one of the regions where the environment and its defenders are most at risk. The Escazú regional agreement, which came into force in 2021, enshrines the rights of access to justice, citizen participation and information in environmental matters, and includes provisions on the protection of nature defenders. This agreement is an opportunity to make environmental law a key instrument in the response to environmental challenges and to build ambitious public policies in environmental and social matters.

The project, implemented by Expertise France, aims to promote the effectiveness of justice and the exercise of citizenship in public policies in environmental and climate matters, in relation to the principles of the Escazú agreement. It will develop a specialized training program in environmental law for judges and prosecutors, and will promote public participation in the defining and monitoring of public policies.

■ **Grant - €2 M**

# Migration



In 2019, international migrants represented 272 million people, or 3.5% of the world population. The types and factors of mobility are multiple (economic, social, cultural, political), which makes it a complex phenomenon that can be a source of fragility as well as an opportunity for development. AFD supports partner countries' efforts to make migration an important part of sustainable development and help address the vulnerabilities linked to forced migration.

**€5 M committed to migration policies in 2021**



**Regions concerned:**  
**Africa, The East,**  
**Latin America,**  
**Three Oceans**



**Beneficiaries:** foreign affairs ministries,  
Moroccans living abroad,  
Malians overseas, etc.,  
French and international CSOs.



**Tunisia, Morocco,**  
**Senegal and Ivory Coast**  
**DIASDEV : diaspora transfer,**  
**savings and investment**

Diaspora transfers to their countries of origin are crucial for many African countries. They mobilize the attention of political institutions in the host and home countries and of development stakeholders. Remittances make diasporas the primary player in international solidarity.

The DIASDEV project resulted from a partnership with the Forum des Caisses des dépôts (grouping together the European and African Caisses des dépôts) and the associations and money transfer operators of the African diaspora in France. It will enable a greater part of the diaspora's savings to be used for the development of their country of origin.

DIASDEV shall inform diasporas about the formal offer for savings and investment transfers, while enabling the operators to better respond to users' requirements; it shall provide support for the emergence of new transfer, savings and investment services; and it shall support the Forum des Caisses des dépôts and their partners in the development of diaspora savings and investment services.

■ **Grant - €5 M**

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## Towards a World in Common

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Agence Française de Développement (AFD) contributes to the implementation of France's policy on international development and solidarity. Through its financing of NGOs and the public sector, as well as its research and publications, AFD supports and accelerates transitions towards a fairer, more resilient world. It also provides training in sustainable development (at AFD Campus) and other awareness-raising activities in France.

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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