



Transport & Mobility

ACTIVITY REPORT

2022



The mobility of people and goods is a prerequisite for achieving the Sustainable Development Goals (SDGs). Indeed, it is crucial to ensure people's access to employment and essential services, as well as to allow productive economies to function effectively and sustainably. Effective mobility makes cities "livable".

The transport sector is more than 90% dependent on hydrocarbons and is responsible for 15% of total greenhouse gas (GHG) emissions. Individual and collective road vehicles are responsible for three-quarters of these emissions, and cities account for about half of this total. With urbanization expanding and demand for mobility on the rise, decarbonization of the transport sector is now, more than ever, a major challenge.

While the transport sector was one of the hardest hit by the impact of the Covid-19 crisis, 2022 saw a marked recovery in flows of passengers and goods.

To address these many challenges, 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 Group's work in the transport and mobility sector revolves around four key priorities:



Inclusive mobility systems

For each project, AFD Group analyzes how its projects can contribute to social cohesion and "access for all": connecting landlocked areas, including vulnerable people (via equitable access and fair pricing) and incorporating users' feedback in project design.



Green and low-carbon mobility systems

AFD Group supports green and low-carbon mobility systems designed to heighten positive impact and to avoid or reduce local pollution.



Efficient, effective, and sustainable mobility systems

AFD Group ensures that projects are sustainable by analyzing – and improving if necessary – the effectiveness of technical choices, sectoral governance (planning, financing, and management rules), operations, and maintenance.



Safe mobility systems for all

AFD Group finances mobility systems that are safe for all. This refers to both the safety of complex systems (such as air and rail transport) and to road safety, as well as to addressing the insecurity of women in public transport systems.

The Group approach

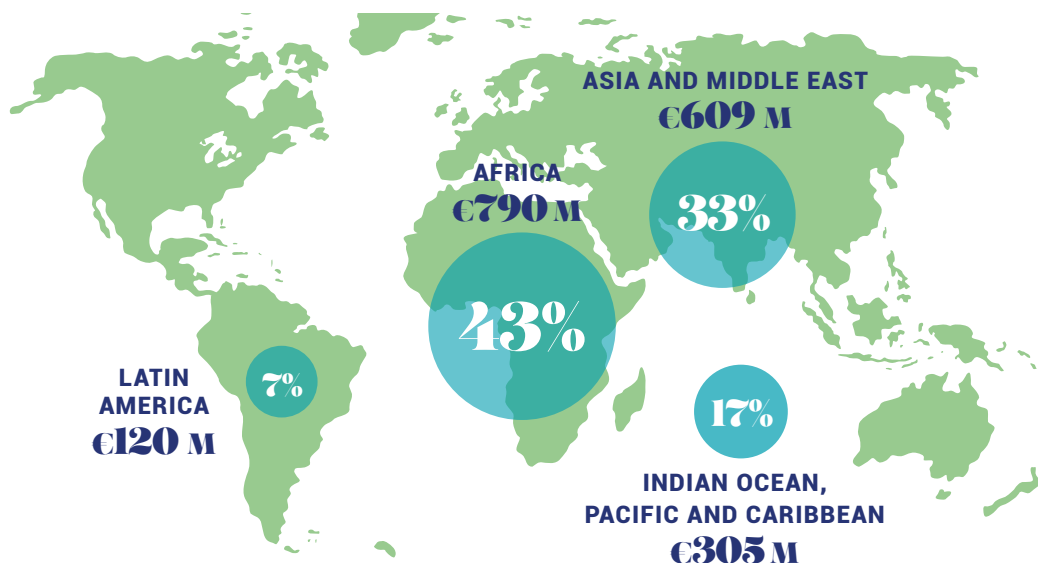
With the integration of Expertise France in the beginning of 2022, AFD Group now has additional tools to accelerate the transition to low-carbon mobility:

- **Mobilization of the private sector with Proparco and STOA**, an investment fund created by AFD and France's Caisse des Dépôts to finance infrastructure in emerging and developing countries.
- **Mobilization of the expertise of French and European players by Expertise France**, in order to support public policies – for example on road safety, air and maritime safety, and transport governance.

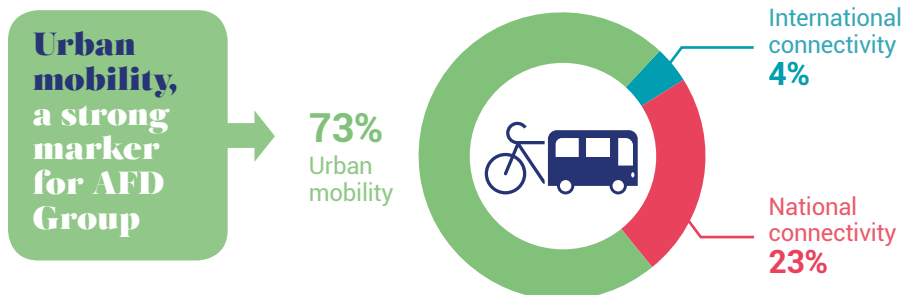
Transport projects approved by AFD Group in 2022

€1.8 BN for the sector
in 2022

Breakdown by region



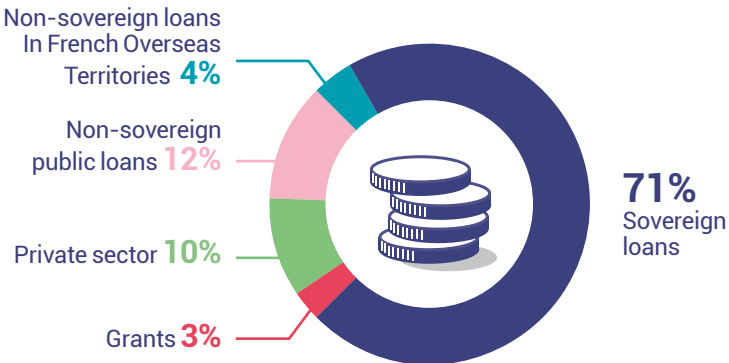
Breakdown by territorial axis



Multiple contributions to the Sustainable Development Goals (SDGs)



Breakdown by financial tool



Urban mobility



In urban environments, the challenge is to promote livable and inclusive cities by financing not only large-scale mass transit infrastructure, but also “active” modes, passenger interchanges, and traffic management. A sustainable urban plan thus requires an integrated approach.

73% of the projects approved in the sector in 2022 are devoted to urban mobility.



INFORMAL TRANSPORTATION

Projects that include professionalizing informal transportation: Bus Rapid Transit in Nairobi (Kenya), Dakar Bus (Senegal) and “soft” or non-motorized mobility (Madagascar).



SECONDARY CITIES

In Serbia, an innovative project for municipal mobility infrastructure covers all of Serbia's 145 cities and promotes a balanced distribution of urban space for roads and public transport.



GOVERNANCE

Over 20 ongoing activities are contributing to transport sector governance and public policy dialogue.



Bus Rapid Transit (BRT) in Dhaka

Sovereign loans | Total €140 M

Beneficiary: People's Republic of Bangladesh

For the last ten years, AFD and the Asian Development Bank have been financing a first Bus Rapid Transit corridor running 20 km along a North-South route in the capital of Bangladesh. The objective is to provide efficient and comfortable mass transit. With the works for the first phase reaching completion, AFD has approved a new loan for the bus fleet, which will be partly electric.

Targeted outcomes

- 2 million people will have improved access to economic and social opportunities
- 45 minutes saved on each journey
- Traffic will reach 500,000 passengers a day after 10 years
- Greenhouse gas emissions reduced by an average of 40,000 tCO₂eq a year and air quality improved

National connectivity



On a national scale, the challenge is to stimulate the economic and social potential of local areas by supporting the controlled and sustainable development of road networks (including in rural areas) and rail or river networks as part of regional projects.

23% of the projects approved in the sector in 2022 aim to strengthen national connectivity.



AFD invests in **maintenance in the railway sector** and is financing an industrial railway workshop in Zenata in Morocco.

The Nairobi–Nakuru–Mau highway, a project developed under a public–private partnership (PPP)

Proparco loan | \$120 M

Beneficiary: Rift Valley Highway (Vinci/Meridiam) project company

The regional corridor running from Nairobi to the Ugandan border is heavily congested and hazardous. The project aims to transform a 175 km section into a toll highway and rehabilitate 57 km. The project company is providing the financing and receives annual payment (it does not bear the traffic risk).

Targeted outcomes

- Improved traffic flow on the North corridor, increasing access to Uganda and fostering economic development
- Reduction in road accidents

International connectivity



At the international scale, the challenge is to open up remote and especially insular regions, and to integrate economies into global trade. When connecting those places to major international trade corridors and platforms, our actions promote the much-needed energy transition of the air and maritime sectors and highlight security and safety aspects.

4%

of the projects approved in the sector in 2022 are devoted to helping countries develop their international trade, a low figure compared to previous years.



AFD's actions are in line with the European Union's **Global Gateway** strategy.



With Expertise France, AFD is supporting the African Union to establish the **African continental free trade area**, a prerequisite for increased regional integration.

“Greener” investments for the Port of Papeete

Public sector loan | €26 M

Beneficiary: Autonomous Port of Papeete (PAP)



The Port of Papeete is the international gateway to Polynesia and provides crucial inter-island connectivity. AFD is financing the first phase of an ambitious investment program, which includes upgrading infrastructure and an “environmental transition” component. AFD is also helping PAP formalize an environmental and social responsibility policy and obtain the international “Green Port” label (feasibility study for the electricity supply of ships at berth and for cleaning up harbor waters).

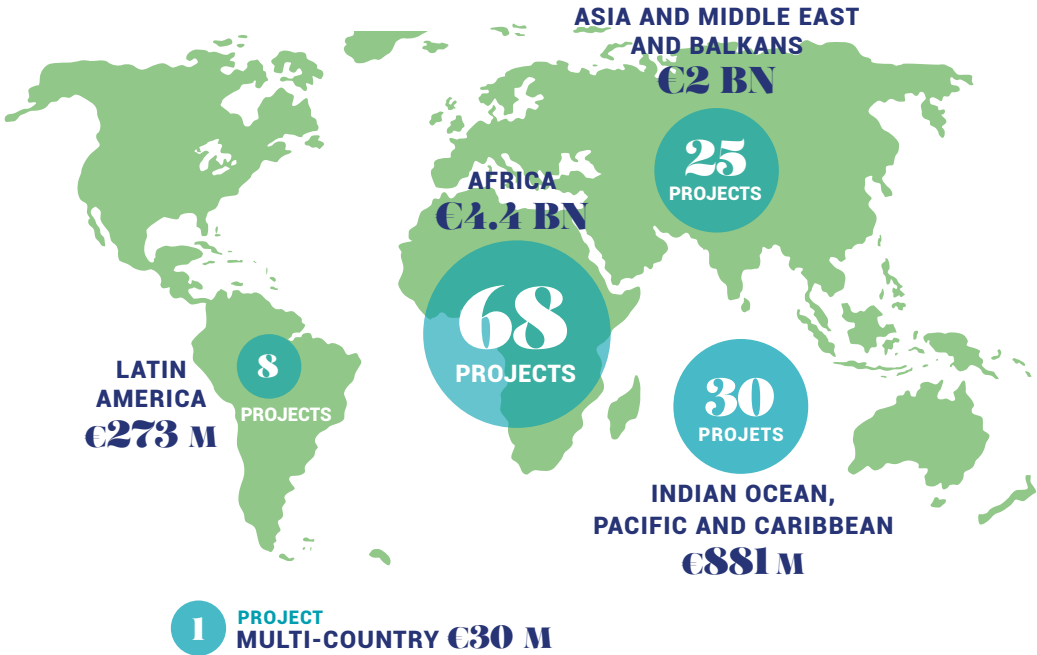
Targeted outcomes

- Optimized operation of equipment of major importance to the economic development of the territory
- Reduction in pressure on the environment
- Adaptation of infrastructure to climate change

Portfolio of ongoing projects

AFD Group's transport and mobility activity also involves managing a portfolio of ongoing projects, including supervision of contracts for standard infrastructure projects. Our teams are also involved in the implementation of capacity building projects, studies, and planning in order to fuel dialogue and contribute to better governance in the sector.

Breakdown by region



**132** ongoing projects
(excluding study funds) as of 31 December 2022,
with total commitments amounting to **€7.6 BN**
and **€5 BN** yet to be disbursed.

**36**
agreements signed
in 2022 amounting to
€1.4 BN.

Approximately
€512 M
disbursed

Achievements and outcomes

Between 2020 and 2022, 24 transport infrastructure projects financed by AFD were completed or partly commissioned, with the following outcomes:



6.5 MILLION PEOPLE
have improved access
to sustainable transport



NEARLY 2.7 MILLION PASSENGERS
use public transport
on the sections financed



273 KM OF LINES
of quality mass transit
have been created
or rehabilitated



NEARLY 351 KM OF LAND ROUTES
(road/rail) between cities
have been created or rehabilitated
(not including rural roads)



Few noteworthy projects commissioned in 2022:

- Extension of the Rabat tramway
- First 4 km section of the third phase of Cairo Metro Line 3
- New sections of the Pune, Nagpur and Bangalore metros in India
- "North road" in Côte d'Ivoire
- Urban cable car of Saint-Denis in La Réunion

A partnership-based approach to sustainable mobility

AFD Group promotes partnerships and exchanges between peers. These are effective tools for capacity building and for gaining support from public decision-makers. The Group has built up a network of professional partners made up of leading French and international institutions and French authorities that are experts in mobility.



A new partnership on air quality with ASEAN

Air quality, supported by SDG n° 3, is a major health challenge in Southeast Asia. AFD has launched cooperation programs in Cambodia, Indonesia and Thailand to better understand and act on air quality. In 2022, AFD also approved financing for ASEAN, which is contributing to the partnership with this key regional player in the Indo-Pacific.



**Mobilise
Your City**

Strengthening the MYC partnership, a knowledge platform for urban mobility

Alongside European partners, AFD contributed to the launch of the MobiliseYourCity (MYC) partnership in 2015. MYC has now become a recognized platform on low-carbon urban mobility and disseminates the European approach for planning across the continents. The strategy published in 2020 added a pillar for the implementation of pilot actions to promote active modes, the modernization of informal transport and governance.

In 2022, the German Federal Ministry for Economic Cooperation and Development (BMZ) officially became a member of MYC, **thus ensuring the continuity of Germany's commitment to the MYC partnership alongside AFD Group.**

Towards a World in Common

AFD Group contributes to the implementation of France's policies for sustainable development and international solidarity. The Group includes Agence Française de Développement (AFD), which finances the public sector, NGOs, research and training; its subsidiary Proparco, which is dedicated to the private sector; and Expertise France, a technical cooperation agency. The Group finances, supports and accelerates the transitions needed for a fairer, more resilient world.

With our partners, we are building shared solutions with and for the people in more than 150 countries, as well as in 11 French Overseas Departments and Territories. As part of the commitment of France and the French people to achieving the Sustainable Development Goals, our teams are at work on more than 4,800 projects in the field. Our objective is to reconcile economic development with the preservation of common goods, from peace, the climate and biodiversity to health, education and gender equality. Towards a world in common.



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