



CORPORATE SOCIAL RESPONSIBILITY AND ACTIVITY REPORT

2025



Editorial by the Chief Executive Officer of AFD Group



© Emmanuel Lafay



Development policy is a crucial aspect of France's international policy, alongside diplomacy and defense, and is essential for accelerating the reconfiguration of global alliances. Development policy also helps create positive ties between peoples by creating jobs and prosperity that are sustainable within our planet's limits. It's thus noteworthy that at the meeting of the French Presidential Council for International Partnerships (CPPI) held in April 2025, the President of the Republic called for a halt to isolationist trends. Indeed, France and Europe have a key role to play in upholding and transforming multilateralism for the sake of solidarity and the preservation of global public goods.

AFD Group's new Strategy 2025-2030, adopted in December 2024, lays out the ways we can help France address the current geopolitical and geo-economic uncertainties. In accord with the value proposal we have developed, we will stand resolutely by our partners' side in the 150 countries with which we cooperate, and in the French Overseas Territories. Our goals will be to link France's interests with those of its partners and to build mutual interests respectfully and intelligently. This value proposal runs through 2030, which is also the deadline to achieve the United Nations Sustainable Development Goals (SDGs).

AFD also intends to implement a "100% SDG-aligned" quality requirement in all its investments, as illustrated by our Sustainable Development Analysis and Opinion mechanism, which celebrated its 10th anniversary in 2024. This mechanism is a pillar of our banking activity, with more than half the bonds we issue on financial markets now compatible with the SDGs.

Our new strategy also requires us to act as a mobilization platform. AFD is thus available to all French stakeholders that wish to become involved in international cooperation. AFD Group has also become the leading partner of the World Bank Group in the number of co-financed projects and is working very actively to build #TeamEurope. Together with the world's 530 public development banks, we launched the Finance in Common (FiCS) movement. We even put sports to work for sustainable development last year when we organized, along with the International Olympic Committee, an unprecedented summit bringing together 55 heads of State and government on the eve of the opening of the Paris 2024 Olympic Games.

Finally, we want to keep AFD Group's promise, as decided by the French Parliament in the 2021 Programming Act on Inclusive Development and Combating Global Inequalities. This legislation aims to make available all the useful tools that can best meet the expectations of AFD Group's clients and partners – not only financial tools, but also technical assistance, research, training and mobilization. I would like to thank Françoise Lombard, Jérémie Pellet and all the 5,000-plus employees of AFD Group, in France and within our common network. Our Group is now undergoing substantial transformation and is ready for all those who want to cooperate with France and work for a World in Common.

Rémy RIOUX
CEO of AFD Group



© Xavier Renaud

Editorial by the Chief Executive Officer of Expertise France

No matter how you look at it, we are living through extraordinary times. Challenges are accumulating, and uncertainty is rising about the ability of the current world order to provide adequate solutions to the multiple climate, economic, and social crises. Instability is spreading and strategic rivalries are intensifying, while international law and multilateralism both suffer. The humanist values we espouse are in danger. As the world splinters apart, development policy forms a pillar of our foreign policy. It is how we weave these dynamics into our relations with other countries and maintain open channels for dialogue between States. Development projects are a core component of our international partnerships. France has proven in recent years that financing development and addressing global challenges are priorities, with its Parliament unanimously voting for the 2021 Programming Act on Inclusive Development and Combating Global Inequalities. Moving beyond hard figures, France has a long tradition of supporting socially responsible initiatives and project development. It is attentive to the needs of its partners and works to build bridges between public administrations, the private sector, and civil society.

By bringing Expertise France under the AFD Group umbrella, France now boasts a more comprehensive and coherent offer that combines technical expertise and financial instruments to provide effective responses tailored to the needs expressed by our partner countries. France's offer is clearer and more appealing to international stakeholders thanks to a range of combined solutions that maximize the benefits for our

partners. We can now link international solidarity with sustainable investments across increasingly diversified and complex areas of the world. It's rare to find an organization today that can leverage all the development tools together to provide support for State actors, the private sector, and technical cooperation. France now has all the instruments it needs to fulfill its development policy, rather than having to shape its development policy around available instruments. As such, we have a great responsibility to make the most of these tools to create a fairer, more socially responsible world. Our aim is to bring back hope and inspire a positive vision of what we can achieve together to solve our shared challenges.

In keeping with the priorities outlined in AFD Group's 2025-2030 Strategy document, Expertise France is committed to implementing substantive, high-impact projects aligned with the SDGs and the 10 priority policy goals set out by the Presidential Council for Development (CPD) and the Interministerial Committee for International Cooperation and Development (CICID). Over the next decade, Expertise France has set itself three main objectives: ensure we have the best instruments to meet our partners' needs, make Team Europe more effective and visible to enhance its impact, and finally, ensure that our project implementation processes satisfy both the State actors and people we serve.

Jérémie PELLET
CEO of Expertise France

Editorial by the Chief Executive Officer of Proparco



© Jean Gecit

In a world facing economic uncertainty, climate challenges, and significant geopolitical tensions, public initiatives are not enough. Support for private stakeholders is also a crucial condition for building sustainable, collective responses. By capitalizing on its network, expertise, and a diverse range of instruments, Proparco works with the private sector and harnesses the power of private investors (both local and international) to support development. By working together with its partners, which include public stakeholders, companies, financial institutions, investors, and philanthropic organizations, our institution helps create ecosystems, give impetus to the ecological transition, and promote innovation.

In 2024 Proparco continued its upward growth trajectory and achieved a record level of business with €2.8 billion in projects signed. With €912 million in financing committed to climate initiatives and €682 million earmarked for gender equality projects, Proparco has pursued its efforts to enhance economic resilience, protect the planet, and reduce inequality. These results are the outcome of our strategic ambition to make project impact a key consideration in our activities.

In a year marked by unprecedented geopolitical turmoil, Proparco was able to tackle the challenges in the countries and territories where we operate – and whose economies range from highly vulnerable to highly dynamic – in coordination with AFD Group and our partners, which include States and European and multilateral organizations.

This achievement also reflects the growing role the private sector plays in financing the SDGs. In addition to providing essential financing to the most vulnerable people, our work helps create sustainable economic models that promote social inclusion and the climate transition. During our previous financial year, the projects in our portfolio led directly to continued employment or new jobs for 31,000 people, provided access to microcredit for 367,000 people, and prevented the emission of 920,000 metric tons of CO₂. They also gave or improved access to electricity for 692,000 people and to education for 31,000 people.

Proparco also played a key role in mobilizing private financing for sustainable development, providing more than €2 billion in financing in 2024. As part of our 2023-2027 strategy, we plan to maintain this momentum by redoubling our efforts to mobilize private financing and expand our actions and impact to support a sustainable economy that creates jobs, protects the planet, and builds a fairer society.

Françoise LOMBARD
CEO of Proparco



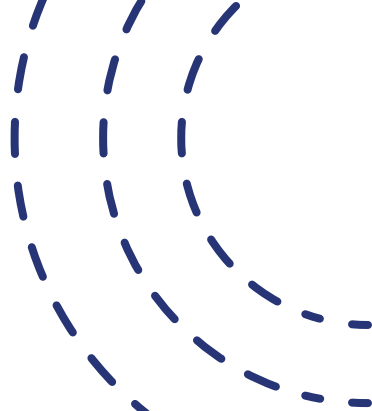
© Hakob Kotolkyan / AFD

© HANAï Vidéo & Médias

CONTENTS



© Kang-Chun Cheng / AFD



02

OUR SOCIAL RESPONSIBILITY COMMITMENTS

..... p.78

Priority 1
Adopting and intensifying sustainable development in our operations p.81

Priority 2
Financial exemplarity and ethics p.83

Priority 3
Reducing AFD Group's footprint and refining its practices p.86

Priority 4
Responsible human resources p.89

Drivers of corporate social responsibility p.92

Sustainability reporting as a way to leverage transformation p.95



© Srishti Bhardwaj - Orred Studios / AFD



© Bunny Claude Massassa / AFD

03

OUR OPERATIONAL RESULTS IN FIGURES

..... p.98

AFD Group around the world p.99

01

STRATEGIC AND OPERATIONAL RESULTS

..... p.8

AFD Group by its partners' side p.10

A 100% SDG-aligned ambition p.30

A mobilization platform p.50

Working as a Group p.66



01

STRATEGIC AND OPERATIONAL RESULTS



At AFD Group, which includes Proparco and Expertise France, our strategy is fully aligned with French development policy. Our new strategy gives concrete expression to the priorities laid down not just by France's 2021 Programming Act on Inclusive Development and Combating Global Inequalities, but also by the Presidential Council for Development (CPD), the Interministerial Committee for International Cooperation and Development (CICID), and the Interministerial Committee for Overseas France (CIOM) in 2023.



Against this backdrop, AFD Group's new Strategy 2025-2030 adopted in 2024 illustrates how we intend to best serve France in addressing today's geopolitical and geoeconomic uncertainties.

AFD Group's mandate is based on a dual agenda: combating poverty and inequality and preserving common goods. In this way, we promote socially responsible and sustainable investments beyond our borders, in the least developed and vulnerable countries, in middle-income countries, and in the French Overseas Territories. Our dual mandate must be carried out in a world marked by two opposing and concurrent trends: a rise in geopolitical tensions and rivalries and a need to learn to work together to manage the shared and existential challenges we face. Our mission is to create positive ties between France and those who wish to cooperate with it.

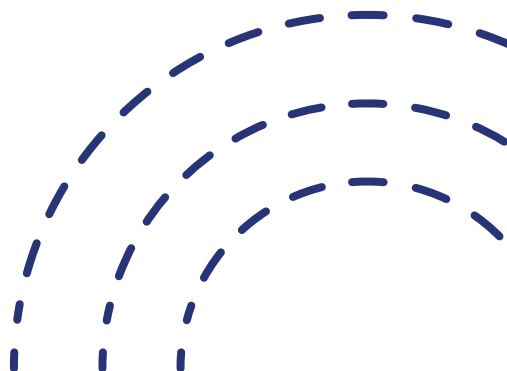
AFD Group plays a key role in implementing these new strategic and political orientations of France, such as by working to increase mobilization for socially responsible and sustainable investment. We are also redirecting a greater proportion of available financing (public and private, national and international) to the SDGs, which goes beyond official development assistance alone and comes in addition to the concentration of resources allocated to vulnerable and least developed countries.

This strategic review of AFD Group's 2024 activity presents the highlights, key achievements and major changes that have marked our operations over the past year, through four commitments:

- **Working "by our partners' side":** Even though we represent France, we strive to be as attentive as possible to the requests and needs of our partners and clients. From South Africa to Vietnam, AFD Group supports Just Energy Transition Partnerships (JETPs), which promote public energy-transition policies while seeking to reduce social inequalities. AFD Group also intensified its commitment in 2024 to the "European Neighbourhood", Eurasia and the Pacific.
- **Focusing on the SDGs:** Through our commitment to make a stronger impact by aligning with the SDGs, AFD Group seeks to reconcile human development, the preservation of the planet, and support for institutions and citizen initiatives. To this end, our method includes our Sustainable Development Analysis and Opinion mechanism, as well as a chain of accountability that monitors our financing throughout its life cycle. This quality standard represents the basis for AFD's sustainable re-financing, ever since our first sustainable bond was issued on the market 10 years ago.
- **Mobilizing for greater impact:** To broaden the impact of our action, AFD Group harnesses the agents and forces of change – youth, citizens, and civil society organizations – in France and across the world. We also mobilize expertise and knowledge, particularly that of French local authorities and companies. And on behalf of France and in conjunction with the International Development Finance Club – IDFC (a coalition of public development banks), AFD Group continues to be a driving force behind redefining international financial architecture. For example, we participated

in COP29 in Baku and organized the Finance in Common Summit (FiCS) in South Africa in February 2025. We also actively participated in organizing the 4th International Conference on Financing for Development (FFD4) held July 2025 in Seville.

- **Keeping AFD Group's promise,** our fourth commitment, has been bolstered by Expertise France's integration into AFD Group in 2022. Building on the complementarity of its three entities, AFD Group prioritizes its clients and partners by adapting to their needs. The search for internal synergies, through the organization of profession-based sectors, has increased our visibility and efficiency.



AFD Group by its partners' side

AFD Group undertakes to increase its insight into the situations and requests of its partners and clients, with the goal of achieving better alignment between their needs and interests and those of France.

© Srishti Bhardwaj – Ofred Studios / Proparco

We remain firmly committed to working “by our partners’ side” – i.e. alongside our partner countries, the people who live there, and our clients – and in line with geostrategic shifts. To this end, we work to better understand and support their sustainable development trajectories, and develop strategies to meet the requests of national governments.

This approach involves engaging in in-depth dialogue, adapting tools, and continuously transforming how we work with our partners. It also entails listening more and being attentive to and respectful of countries’ needs and constraints, as well as strengthening our ability to adapt while maintaining a quality offer. The aim is also to consolidate strong, long-term partnerships by assisting key stakeholders (State actors, private companies, civil society) along their sustainable development pathways. To this end, all of

AFD Group’s financing tools are leveraged, as well as French, European, and local expertise and public-policy support programs.

This approach is part of a strategy that is differentiated according to major geopolitical blocs. In Africa, AFD Group is working to renew the partnership with France and Europe by drawing on all its technical and financial instruments to support countries’ development trajectories. For the European Neighbourhood, AFD Group supports the convergence of countries in the European Political Community toward the Community *acquis* through integrated economic, environmental, and governance policies. In the Indo-Pacific region, AFD Group’s activities focus on just transitions, climate and maritime security, and the blue economy. In Latin America, AFD Group is involved in building a socially responsible investment deal

with Europe by supporting the ecological transition, social justice, and access to rights.

This strategy centers on three main geographic mandates:

- In the least economically developed and most vulnerable countries, the emphasis is on health systems, vocational training, education, food sovereignty, sustainable infrastructure, and natural resource protection. In 2024, €1.3 billion, representing 58.5%, of the resources allocated to AFD by the French government, were directed toward least developed countries.
- In middle-income countries, AFD Group supports just transitions through consulting services, expertise, and private capital mobilization.
- Finally, in the French Overseas Territories, AFD Group acts as a public development bank by working with its local subsidiaries to back sustainable development and enhance regional integration, while systematically seeking social and environmental co-benefits.



© Fabrice Mbonankira – Amizero Pictures / AFD

AFD Group's 2024 activity in brief



€13.03 BN

IN NEW FINANCING GRANTED by AFD and Proparco in 2024.



€11.6 BN

IN VALUE OF AGREEMENTS SIGNED, including **€2.8 BN** by Proparco, up 26% over 2023.



€447 M

IN TURNOVER for Expertise France.



53%

OF LOAN COMMITMENTS, EQUITY PARTICIPATION AND GUARANTEES went to non-sovereign actors such as development banks, private and public companies, and local authorities to steer them toward sustainable solutions and build inclusive, stable, and responsible financial systems.

This figure represents €3 BN for AFD and €2.8 BN for Proparco.



54%

OF PROJECT LOANS, representing AFD's activity in foreign countries.

€1.9 BN devoted to public policy budget financing.

€1.3 BN for lines of credit.

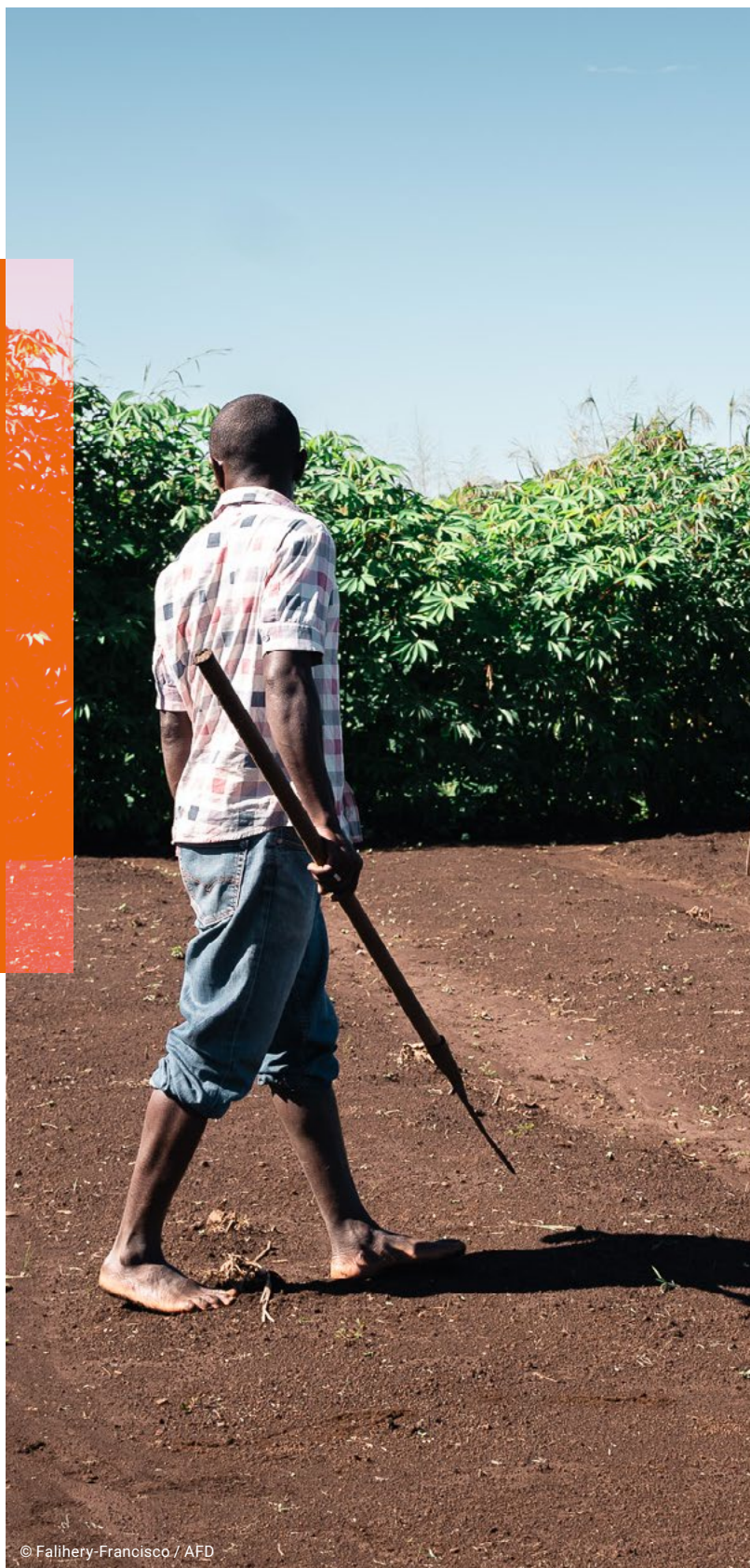
Africa

Economic growth in Africa slowed down in 2024 due to rising geopolitical tensions combined with a protracted trade deadlock, conflicts in several African countries, and the downward trend of financial flows into the continent (as direct foreign investment, official development assistance, portfolio investments, and remittances). Growth nevertheless reached 3.5%, just over the global average of 3.2%.

In recent years, most African economies have shown remarkable resilience despite major structural challenges and considerable sensitivity to a series of outside shocks, the COVID-19 pandemic, and the Russian-Ukraine conflict.

AFD Group's initiatives in Africa are carried out in line with the conclusions issued by the Presidential Council for International Partnerships (CPPI) in April 2025, which emphasize the importance of Africa in France's foreign policy. Priorities include support for green transitions, climate change adaptation, biodiversity protection, extreme poverty eradication, strengthening of education and health systems, food security, entrepreneurship, women's and youth issues, and prevention of forced migration.

AFD Group is also involved in the renewal of ties between France and Africa, with a view to increasing involvement by youth and civil society. This process began with the 2017 policy speech by the French president in Ouagadougou and was bolstered by the New Africa-France Summit, held in Montpellier in 2021, and the Presidential speech in 2023 for a new partnership. At a time when the French military is reconfiguring



© Falihery-Francisco / AFD

its operations in Africa to align with new policies and priorities, civil co-operation and AFD Group's activities in particular are now more than ever the pillars of our relationship with Africa. The aim is to maintain our strong presence in French-speaking Africa and develop our partnerships in non-French-speaking countries, especially in the most active economies.

AFD is a driving force in the financing of African economies and remains the World Bank's leading bilateral partner in Africa. It also works closely with the African Development Bank and manages delegated funds from the European Union and other partners, such as the Global Partnership for Education and the Green Climate Fund.

In 2024, half of Expertise France's turnover, or €223 million, came from Africa. Most of Expertise France's activity remains concentrated in North and West Africa, hence the establishment of its first in-country offices in Tunisia/Libya (a single office in Tunisia covers both countries), Côte d'Ivoire, and Guinea. Nonetheless, the country where Expertise France activity grew the most in Africa in 2024 was the Democratic Republic of the Congo, where an in-country office was recently set up in Kinshasa. This significant growth is explained by the strong Group synergy achieved between AFD and Expertise France in managing locally deployed grant resources.

Expertise France is especially active in the key areas of the transformation agenda. It supports entrepreneurship and innovation (the Team Europe Initiative "Investing in Young Businesses in Africa", EU, €22.8 million), vocational training and sports (Pour Elles : Sport et Culture – Democratic Republic of the Congo, AFD, €10 mil-

lion), cultural and creative industries, and heritage protection and memorial projects (Royal Palaces of Abomey development project in Benin, AFD, €3.2 million). In all, 2,689 micro-, small, and medium-sized enterprises were supported through projects implemented by Expertise France. It works with a large network of stakeholders and adapts to the geographical realities of the African continent for effective, targeted cooperation.

Finally, Expertise France is continuing to strengthen its presence in East and Southern Africa, especially in Ethiopia and Angola, mainly through EU funding.

In 2024, AFD's activity also grew in Africa, with a commitment volume totaling almost €3.5 billion (up from €2.9 billion in 2023), accounting for nearly 43% of its commitments. Despite uncertain macroeconomic and security situations, sovereign financing remained steady at €2.05 billion (compared to €1.97 billion in 2023), namely due to a €400 million sovereign loan to South Africa. Phase 2 of the Choose Africa program was implemented in 2024. This program finances African and French entrepreneurs including those from the African diaspora, and it seeks to improve both entrepreneurial ecosystems and the private development sector. AFD Group invested €853 million in entrepreneurship in Africa.

Non-sovereign financing reached record levels, with €945 million allocated in the annual business plan (compared to €408 million in 2023).

The value of signed agreements reached €3.3 billion. Disbursements on active projects totaled €3.1 billion, a 10% increase over 2023.



Financing approvals for 2024 were mainly directed toward the infrastructure and urban development sectors (€1.9 billion), the production sector (€401 million), and education and vocational training (€383 million). Most AFD financing in Africa went to the regions of Southern Africa (€815 million) and the Gulf of Guinea (€769 million), followed by North Africa (€693 million).

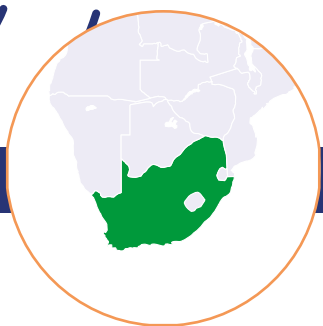
In 2024 Proparco committed €1.1 billion in financing in Africa, accounting for 36% of all commitment approvals for the year. Meanwhile, over 44% in volume of the projects signed by Proparco were in Africa, for a total amount of €1.1 billion.

In keeping with its commitment to support sustainable, inclusive economic growth that creates jobs, Proparco strengthened its partnerships with key private-sector actors in Africa. Accordingly, in Côte d'Ivoire, six financing agreements were concluded with banks and microfinance institutions during the year, which resulted in support given to nearly 2,200 local companies (75% of which were micro-, small, and medium-sized enterprises).

Among these initiatives, two major financing agreements were signed with longtime partner NSIA Banque Côte d'Ivoire to shore up the investments of more than 919 Ivorian

SMEs, mainly to strengthen their production capacities. Through these initiatives, Proparco reaffirmed its desire to stimulate long-term job creation, strengthen the local economic fabric, and speed up the economic and social transitions in Africa.





A closer look: the South Africa JETP

The Just Energy Transition Partnership (JETP), signed in November 2024, provides €400 million in budget support to meet the target set by French President Emmanuel Macron to provide €1 billion in financing for sustainable development in South Africa. It's part of an international commitment of €8.3 billion agreed during COP26 in Glasgow in November 2021 with Germany, the United Kingdom, the European Union, and the United States (before the US announced its withdrawal in March 2025).

This second round of financing under the JETP brings AFD to within 70% of its goal.

This transformational loan is the first funding in South Africa to specifically target support for “just” aspects of the energy transition, by addressing the country's major challenges, in particular poverty, unemployment, and social inequality. The aim is to ensure that the positive outcomes of the energy transition benefit the entire South African population equitably. Priority will be given to the people and regions highly reliant on coal, and

as such the most impacted by decarbonization, as well as to people sidelined from the job market and major key employment areas. To this end, particular attention will be paid to social protection policies (such as public programs to promote youth employment and reduce gender inequality), entrepreneurship, and vocational training.

The socially responsible project aims to ensure that the regions that face the most risks from the transition – often those also most affected by environmental impacts – will see ecological and economic progress. This strategic financing will also support the development of sustainable energy solutions while also ensuring that the energy transition is both equitable and beneficial for the entire South African society. It marks a strong commitment to a more just and sustainable future for the country.



© Cyril Le Tourneur d'Ison



© creapub.fr / AFD

Three Oceans

At AFD Group, the “Three Oceans” region refers to the French Overseas Territories and their neighboring foreign States in the Atlantic, Pacific, and Indian Oceans. The aim of our approach there is to better address the shared challenges faced by these territories and countries, which are highly exposed to natural disasters (such as Cyclone Chido in 2024, which devastated Mayotte), and to promote regional cooperation and integration efforts.

AFD’s activities in the Three Oceans area amounted to €1.6 billion in 2024, including €1 billion in financing for French Overseas Territories. We remain fully engaged in the

French Overseas Territories to support sustainable development in a context in which economies (except that of French Polynesia) have deteriorated overall.

Activity targeting the public sector in the French Overseas Territories remained strong in 2024, with €738 million in financing to support various large-scale projects with significant environmental, climate, and social impacts. The Multitranché Financing Facility (FMT) was used for the first time with public actors from three overseas territories: the local authorities in Martinique and French Guiana and the department and region of Reunion Island to partially finance multi-year investments over a three-year period (2024 to 2027). A

total of €155 million was disbursed for the first tranches in 2024.

For example, the Collectivité Territoriale de Martinique (CTM) was granted €150 million in FMT financing, with a first tranche of €50 million disbursed in 2024 to cover investments in transportation infrastructure, the renovation and earthquake retrofitting of schools, and digital development. Beyond providing financing, the FMT supports dialogue on public policy developed around a matrix of transformation targets set to achieve virtuous ecological and social trajectories within a feasible budget for the CTM. The investment must be deemed essential and aimed at stimulating Martinique’s economy and promoting social cohesion.

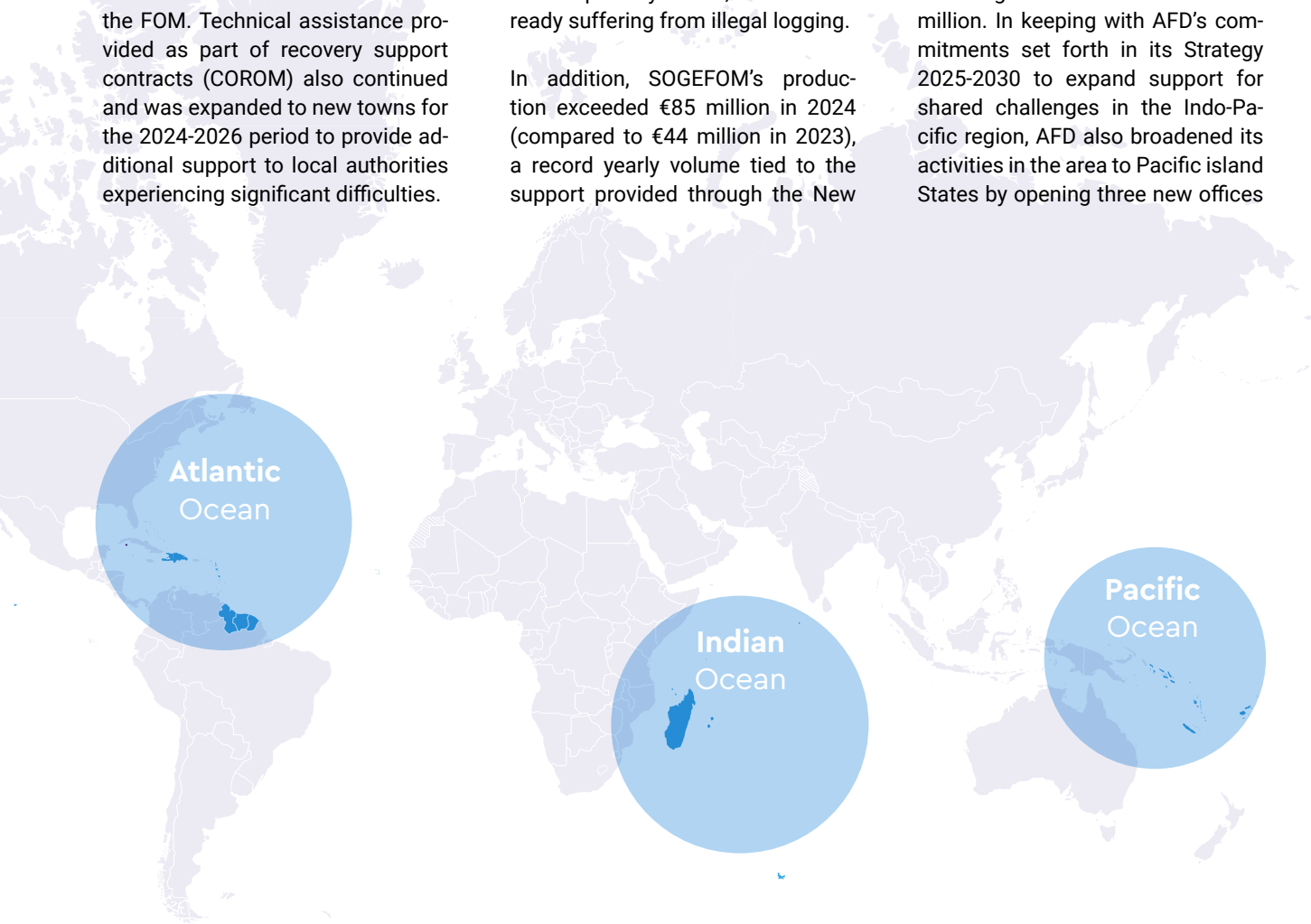
Management support programs for public actors in the overseas territories also expanded during the year. The Overseas Fund (FOM), which provides grants for capacity building for public works projects, was given additional resources (€17 million) to expand its activities in line with the guidelines of the Interministerial Committee for Overseas France (CIOM) in July 2023. FOM funding mainly targeted public works project managers to strengthen their basic capacities and facilitate the initiation of their investment projects. In 2024, 43 projects were supported, and twenty-some technical assistants were assigned to work for the overseas local authorities via the FOM. Technical assistance provided as part of recovery support contracts (COROM) also continued and was expanded to new towns for the 2024-2026 period to provide additional support to local authorities experiencing significant difficulties.

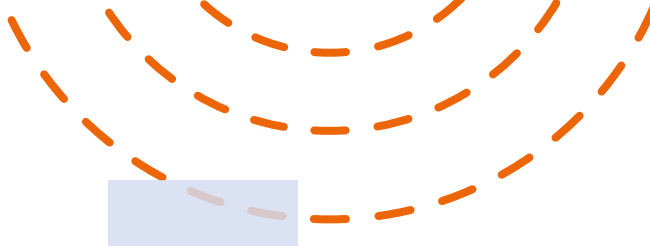
Private-sector activity held steady in 2024, with total commitments of €138 million, only slightly down from 2023, a record year. Approved financing was mainly within the banking sector, with an initial long-term line of credit extended to Crédit Agricole La Réunion as well as the third FMT tranche disbursed to the Banque calédonienne d'investissement (BCI). This private-sector financing was also directed toward renewable energy projects, such as the Triton Petit-Saut project in French Guiana, which seeks to reclaim submerged wood in order to increase the production of building timber and wood fuel without putting extra pressure on the primary forest, which is already suffering from illegal logging.

In addition, SOGEFOM's production exceeded €85 million in 2024 (compared to €44 million in 2023), a record yearly volume tied to the support provided through the New

Caledonian economic stimulus program. To address the urgent situation in New Caledonia, AFD worked closely with the French government and other key stakeholders. It undertook to back sustainable and inclusive reconstruction there through financing, technical expertise, and support for reforms. AFD also issued a moratorium period on loans, with €42 million in loan payments deferred, and approved €50 million in financing through the FMT program to the Banque calédonienne d'investissement (BCI) to maintain its access to credit.

The level of commitments made to foreign countries totaled €578 million. In keeping with AFD's commitments set forth in its Strategy 2025-2030 to expand support for shared challenges in the Indo-Pacific region, AFD also broadened its activities in the area to Pacific island States by opening three new offices





(in Papua New Guinea, Fiji, and Vanuatu). Meanwhile, Expertise France continued its actions and reaffirmed its desire to work more closely with partners in the Three Oceans area by creating in-country offices in the Comoros (Indian Ocean) and Haiti (Caribbean – Atlantic Ocean). In 2025, it will also open in-country offices in Madagascar (Indian Ocean) and Papua New Guinea (Pacific Ocean).

In the Indian Ocean region, AFD began providing support to MauBank and SBM, two public banks in Mauritius, to increase financing of investments in climate change mitigation and adaptation. Expertise France's portfolio of national projects totaled €65 million in 2024. Several regional initiatives were also implemented in the Comoros, Madagascar, and Mauritius, including two projects supported by AFD: Varuna, a project to preserve local biodiversity (€10 million), and Lumin'iles, a project to foster women's economic empowerment (€10 million).

In the Atlantic Ocean region, AFD continued its support in the Dominican Republic with the development of metro lines in Santo Domingo and the extension of the sanitation system in the city of San Cristóbal. Expertise France's work in the Caribbean mainly targeted Haiti through eight projects to support local authorities and civil society organizations in their efforts to address various crises while also trying to identify long-term solutions to the country's health, education, and development challenges. At the regional level – including Haiti, the Dominican Republic, and Cuba – Expertise France is implementing the Euroclima Caribbean program (€10 million, funded by the EU), which supports initiatives aimed at climate adap-

tation and local biodiversity preservation as well as assistance for the region's transition toward a circular economy and an energy model based on renewable energies.

In the Pacific, Expertise France continued implementation of a major initiative for biodiversity, climate change, and forests in Papua New Guinea. The initiative is receiving €33.5 million in funding from the European Union.

As for Proparco, it also expanded its activity in the Caribbean by financing a portfolio of loans for Banco BHD, mainly intended for affordable housing for women. As a result, financing was provided for nearly 1,100 decent formal housing units for low- and middle-class people in the Dominican Republic. Proparco's financing commitments for the Three Oceans region amounted to €206 million in 2024.

AFD also pursued efforts to strengthen regional cooperation and employment in the French Overseas Territories to better tackle issues also shared by neighboring States. In 2024, AFD authorized 10 regional cooperation projects involving at least one overseas territory and one foreign State as recipients for a total of €42.8 million.

In the Pacific, AFD is working to deepen regional cooperation for sustainable waste management (used oil disposal, improvement of landfills and equipment, marine debris) through the SWAP2 project (€4

million). In the Atlantic Ocean, AFD launched a regional project in 2024 to manage sargassum (€8 million). This project connects French Overseas Territories and other countries in the Caribbean that are affected by the problem, which is a plague for those living around the Caribbean Sea.

AFD also strengthened its inter-Ocean basin cooperation in 2024 by signing phase 3 of the Three Oceans Program, bringing the total amount of grants to €22 million since 2019. This program, which is implemented by the French Red Cross, focuses on Small Island Developing States, which are increasingly vulnerable largely due to climate change. The purpose of the program is to reduce the impact of natural disasters, health crises, and climate change on populations of the three ocean basins. It does this by strengthening national and regional coordination mechanisms, the capacities of institutional partners, and the capacities of the most impacted communities.

Finally, with regard to civil society organizations in the French Overseas Territories, the pilot phase of the CORÉOM program for regional cooperation in the overseas territories was launched in France's departments in the Atlantic and Indian Oceans. With €3 million in financing from AFD, this program is led by the NGO La Guilde with the aim of bolstering the regional and international cooperation dynamics driven by nonprofit organizations in

the French Overseas Territories. In 2024, this financing was used to issue a call for projects through which 16 nonprofits in the French Overseas Territories were selected to fund their international projects and initiatives supporting education for citizenship and international solidarity in the overseas territories in the Indian Ocean and Caribbean Basin.



© Etienne Gaume / AFD

Eastern Europe,

Middle East, Asia

The region comprising Eastern Europe, the Middle East, and Asia remains exposed to three factors of instability: (i) persistent crises and conflicts, (ii) the reorganization of value chains and trade flows in a context of increasing protectionism, and (iii) the devastating effects of climate change.

The top recipients of the financing approved in 2024 (€3.025 billion, a decrease from 2023) were countries covered by the new Enlargement and European Neighborhood Regional Office (35%), followed by those in Southeast Asia (27%), South Asia (17%), the Middle East (14%), and Central and East Asia (7%).

AFD's current exposures in India, Indonesia, and Turkey are close to the high risk limits and are being rigorously managed. Unpaid debts in Lebanon led to a restriction in 2024 on all new debt involving this country. In Sri Lanka, the agreement concluded in June 2024 with the Official Creditor Committee to restructure its debt and the subsequent bilateral agreement with France opened the door to gradual resumption of activities governed by the doctrine of debt sustainability of the French Ministry for the Economy and Finance. This doctrine prohibits the renewal of sovereign commitments in several heavily indebted countries.

In September 2024, an AFD regional office was opened in Astana, Kazakhstan, and in November 2024, Kazakhstan and AFD Group signed a memorandum of understanding on sectoral cooperation to be further developed.

In 2024, Proparco provided €1.03 billion in new funding for Eastern Europe, the Middle East, and Asia, accounting for 36% of the total volume of Proparco commitments. At a time when expectations are high for employment, access to financing, and environmental transitions, Proparco has expanded its support for major transformational projects with significant potential.

Expertise France is stepping up its activity in the region, especially in the Western Balkans, Ukraine, Moldova, Turkey, countries of the Caucasus, and Central Asia, with 41 national and regional projects for a total of €173 million. Projects were mainly in the following key sectors (project names, financing amounts, and funders in parentheses):

- Vocational training and economic resilience in Turkey (VET4JOB – €44 million, EU),
- Health in Ukraine (APPUI – €16 million, French Ministry for Europe and Foreign Affairs; REHAB – €5 million, AFD),
- Digital technologies and innovation in countries of the Eastern Partnership (EU4Innovation East – €20 million, EU) and Central Asia (TEI Digital Connectivity – €12 million, EU).

Expertise France is also backing governance, justice, and social protection reforms by supporting the European convergence trajectories of the relevant countries.

In terms of SDG new commitments by the Eastern Europe, Middle East and Asia Department will continue to be largely focused on the goals of fighting climate change and preserving biodiversity. In this respect, AFD

provided support in 2024 to Vietnam (€80 million for the Bac Ai project under the Global Gateway initiative) and Indonesia (€150 million in public-policy budget support) to implement its Just Energy Transition Partnership (JETP) program initiated by the G7.

Biodiversity preservation was marked by blue economy development, with programs under way in Indonesia and forthcoming in the Philippines. AFD also contributed to the nature-based solutions facility launched by the Asian Development Bank (ADB). In Moldova, a €30 million loan earmarked for energy efficiency in public buildings (in the health and education sectors) was granted. This project, co-financed with KfW, illustrates the close coordination between funders through the Joint European Financiers for International Cooperation (JEFIC) initiative.

AFD's activity mainly took the form of sovereign loans (around 88% of its commitments) for budget support, such as budget funding for climate of €250 million in the Philippines. Equity grants (around €102 million, or 4% of approved commitments) were mainly for the Middle East. Delegated funds from third-party institutions totaled €188 million (up from €102 million in 2023 and €10 million in 2022).

Finally, in an effort to formalize the regional dimension of AFD's work in the Indo-Pacific region and in addition to its financing activities, AFD organized the second Sustainable Finance in the Indo-Pacific (SUFIP) conference in June 2024 in Bangkok with the Asian Development Bank. The theme was resilience, with a special focus on island contexts. As part of the EU enlargement and

European Neighbourhood Policy agenda, AFD was invited for the first time to the EU consultations on strategic analyses on partnerships and reform programs, whose conditions for access to financing require aligned monitoring to ensure greater predictability.

In Asia, Proparco’s support to GRP, an Indian company specialized in tire recycling, spurred on this momentum. This project, which also includes biodiversity-related co-benefits, reflects Proparco’s growing commitment to a circular economy with a low environmental impact. Through these complementary initiatives, Proparco is strengthening its role in a region undergoing major change by supporting resilient and environmentally sound projects that create jobs.

Expertise France is working in South and Southeast Asia to establish new national and regional partnerships. In 2024 in South Asia, Expertise France invested in two Sri Lankan initiatives backed by the European Union to implement “green” national public policies (€5 million) and promote the circular economy, especially in the food sector (€3 million). In Southeast Asia, Expertise France rolled out two new initiatives in the Philippines: one on reducing the risks of natural disasters (€4 million, funded by AFD) and a second on promoting the circular economy and reducing waste (€11 million, funded by the EU). Expertise France also continued efforts to strengthen regional ties and collaboration, such as through the ESIWA II security and defense project (€3.75 million, funded by the EU) and the Air Qual-

ity Improvement Program (AQIP) in partnership with the Association of Southeast Asian Nations (ASEAN) with €2.5 million in funding and support from AFD.





A closer look: Ukraine

AFD was authorized to take action in Ukraine from January 2024 in response to the rapidly deteriorating situation on the ground and urgent identified needs. Its mandate, centered on support for local authorities and non-sovereign financing, allows it to provide €400 million in loans and €50 million in grants. AFD opened an office in the country in July 2024, and by the end of the year its first three operations there had been appraised, in the water, urban mobility, and health sectors. These operations, for a total of €15 million, will be financed through grants and implemented in 2025 in the cities of Kryvyi, Lviv, and Odesa. This financing comes ahead of larger amounts that will be provided through non-sovereign loans granted directly to the cities, in line with AFD's mandate.

Given the rapid growth of its portfolio in Ukraine, Expertise France also opened an in-country office there in September 2024, with more than 40 employees to manage its activity. It's now handling 15 national projects and 3 regional projects for a total amount of over €50 million across six sectors: (i) health and social protection, (ii) rule of law and justice, (iii) local governance and decentralization, (iv) innovation and private-sector support, (v) economic and financial governance, and (vi) defense and security. The two themes common to both of these projects are European integration and reconstruction. Expertise France will also provide a dozen international technical experts to support Ukrainian institutions.

AFD's 20-year history in Turkey

AFD Group has been active in Turkey since 2004 to support sustainable, inclusive, and resilient growth. It provides financing and expertise (mainly from the French private sector) through Team France and Team Europe initiatives. By supporting Turkey's public policies, specifically by financing infrastructure with a positive impact on climate and development, AFD Group is able to implement a dual agenda that combines a strategic alliance and socially responsible and sustainable investments in strategic economic areas and sectors of excellence from the French and European offer.

With regard to economic initiatives, AFD supports local authorities and public companies in their large-scale investments, specifically in urban transportation, water, and sanitation, to improve productivity and modernize services. Proparco granted two lines of credit for a total of €130 million to the İşbank and Şekerbank financial institutions. This financing will go to support micro-, small, and medium-sized enterprises (MSMEs, which account for 70% of jobs in the country) and strengthen the local entrepreneurial ecosystem, thus bolstering post-earthquake economic stimulus efforts. More than a third of start-ups and MSMEs backed by Proparco in the Middle East in 2024 received assistance through these two operations. The VET4JOB project, implemented by Expertise France in Turkey, seeks to promote access to vocational training and employment for Syrian refugees and local vulnerable populations based on job market needs.

In terms of social initiatives, Expertise France is advocating for greater consideration of the role of women in the economy and is financing projects for inclusion to improve vulnerable people's access to public services, especially in the southeastern part of the country. It is also supporting sustainable reconstruction efforts in this region following the 2023 earthquakes.

As for environmental initiatives, AFD is supporting Turkey's energy transition via financing for renewable energies, energy efficiency, and climate change resilience. It is also helping to upscale green taxonomy and circular economy standards. Sanko II, a Proparco-led textile recycling venture, illustrates an innovative circular-economy approach: by improving the recovery of mixed textiles, this project reduces dependence on virgin fibers (cotton and petroleum-based) and helps reduce pressure on ecosystems. With a 20% score for biodiversity-related co-benefits, it reflects a scaling up of financing for sustainable industrial solutions. This project is also backed by the TSKB development bank through a line of credit for circular economy projects signed with AFD.

Finally, AFD Group activities capitalize on specific synergies with French businesses. For example, Alstom provided the ground-level power supply solution for the Haliç tramway in Istanbul. In this way, AFD is able to help catalyze bilateral cooperation and green diplomacy.



© Zeren Erik Yaşar / AFD

Latin America

In 2024, AFD's activity in Latin America was concentrated in a few countries due to concerns about States' debt levels and the economic and political tensions that continue to be an issue in this region. Brazil and Colombia accounted for the largest share of the annual total of 1.6 billion for the entire region, with a volume of €763 million in commitments to Brazil (47% of the total) and €396 million to Colombia (25%).

However, AFD Group is expanding its activity in Latin America. As part of the extension of relationships established with public development banks during the Finance in Common Summit (FiCS) held in Colombia in September 2023, the share of the lines of credit granted in 2024 to Latin American development banks rose, making up 46% of the division's portfolio. Part of this increase was also due to new strategic partnerships signed with major public development banks.

Expertise France ramped up its activity in Latin America in keeping with French and European priorities. It is leading 37 national and regional projects for a total volume of €192 million, with the support of the Eu-

ropean Union, AFD Group, and the French government. Its operations encompass various strategic priorities: climate and biodiversity, just transition, economic governance, social dynamics, digital technologies, and global security. To support this momentum, Expertise France is shoring up its local presence with 85 employees assigned to several countries in the region and a project-support unit in Bogotá, which is leading eight regional initiatives.

In all, 22% of Proparco's 2024 investment volume went to projects in Latin America, equating to a total of €594 million in signed agreements (versus €467 million in financing authorizations).

A third of AFD's activity in Latin America was project assistance, particularly in Brazil and Ecuador. Most of these initiatives fall under the European Union's Global Gateway initiative (with EU funding in 2024 of more than €21 million). Project identification and preparation activities were also focused on exploring critical energy-transition minerals such as lithium in Bolivia and Argentina. These minerals are strategic to French and European interests, and they benefit from bilateral initiatives such as the Latin

American and Caribbean Investment Facility (LACIF) and the Fund for Technical Expertise and Experience Transfers (FEXTE).

Additionally, 2024 was marked by French President Emmanuel Macron's visit to Brazil and by a billion euros of commitments signed by the two countries to promote sustainable development in the Amazon and bioeconomy development. Efforts to preserve the Amazon were covered by a specific approach, confirmed through the granting of two lines of credit totaling €280 million to two federal development banks, the Brazilian Development Bank (BNDES) and the Banco da Amazônia S.A. (BASA). This financing was then rounded out with a €10-million grant (through the Amabio¹ program, implemented by Expertise France) for bioeconomy development, which constitutes the first stage of the investment program. The BRK Maranhão project financed by Proparco for water and sanitation improvement will provide access to drinking water for more than 480,000 people and access to sanitation for 333,000 residents by 2029 in a region where nearly 60% of the population lives below the poverty line. By reducing the prevalence of waterborne diseases and building local economic resilience, this project will also improve public health while furthering climate and environmental priorities in the region. Among the project outcomes, 37% provide adaptation co-benefits and 40% provide biodiversity co-benefits, mainly thanks to water decontamination efforts and a goal of 80% sanitation coverage by 2032.



1 Le Brésil et la France unis pour dynamiser la bio économie en Amazonie, <https://www.afd.fr/fr/actualites/communiqu%C3%A9-de-presse/le-br%C3%A9sil-et-la-france-unis-pour-dynamiser-la-bio%C3%A9conomie-en-amazonie>

Finally, the partnerships established with public development banks in Colombia (ICETEX) and Costa Rica (Banco Popular) led to commitments of more than €120 million to reduce gender inequality (DAC 2).

In 2024, AFD's activity in Latin America continued to play a major role in fighting climate change (with a €1.1 billion contribution) and in protecting biodiversity (€322 million). In Central America, Proparco also supported the growth of the CMI Alimentos, a major agrifood corporation in Guatemala whose activities span the entire food value chain, from grain to meat production. This financing will help bolster food security in the region by ensuring that more than 12.6 million people can access basic foodstuffs, while also supporting a key industry for the local economy.

However, although signed agreements totaled €1.4 billion with disbursements of €805 million, these amounts are below planned targets. This is largely explained by the difficulties associated with several budgetary funding issues, mainly due to the deferment or lack of ratification by parliaments, as was the case in Costa Rica and Colombia.

In Colombia, €200 million in budget support was provided for the implementation of rural reform. This reform, which was central to the peace agreement signed in 2016, aims to speed up development in the most underserved areas and those most affected by the conflict, to eradicate extreme rural poverty, and to prioritize access to land and land tenure. This financing is one of the political commitments made by France, which was officially named in 2024 as the "accompanying country" in Chapter I of the Peace Agreement on integral rural reform.



AFD Group's 15-year history in Colombia

AFD has been supporting Colombia's efforts toward more sustainable and socially responsible development for 15 years. Between 2009 and 2024, more than €3.5 million was invested in transformational projects across the country. Since 2018, AFD has used its General Monetary and Multisectoral Macrodynamics for the Ecological Shift (GEMMES) tool to assist Colombia along its low-carbon development trajectory as it works to reach its nationally determined contributions (NDCs). This decision-support tool plays a key role in public-policy dialogue with the Colombian authorities.

Within the framework of a public-policy loan from AFD, support to strengthen the health system in Colombia relied on French public expertise as part of peer-to-peer dialogue that was highly appreciated by the Colombian authorities, who are unfamiliar with this type of cooperation. The evaluators underscored the relevance of this peer-to-peer cooperation approach, which they consider to be a major component of AFD's added value (despite the low amount of funding provided) and a key factor in the outcomes obtained through budget support. Ricardo Moncada Suarez, financing strategy adviser for Colombia's Ministry of Finance and Public Credit, praised this technical support as follows: "It proved to be extremely valuable, as it offered a constructive, accessible way for France to share its knowledge and expertise. It all came about as part of a collaborative, flexible, and quality relationship with AFD."

The projects financed by AFD Group in Colombia were also largely focused on involving French companies, especially in the transportation sector. Thanks to funds released by AFD, POMA became the first company to work on building the Ayacucho tramway in Medellín. It also completed five of the six Metrocable gondola lift lines, which have revolutionized urban mobility in the city by connecting 300,000 residents in underserved and remote neighborhoods in west Medellín while also reducing pollution. The total amount of the 20-year loan from AFD to the city of Medellín to develop its Metrocable lines was €250 million.

AFD's activity is firmly aligned with its SDG-focused mandate: for example, AFD backed the restoration of the Ciénaga de Mallorquín, a coastal lagoon in Barranquilla,

to preserve an important ecosystem which also protects local communities. Its support led to the construction of aqueducts, schools, hospitals, and energy-efficient public lighting in more than 20 cities around the country, thereby improving access to basic services for hundreds of thousands of residents. In Bogotá, the "Manzanas del Cuidado" (family service centers) offer innovative assistance to caregivers and improve gender equality.

Meanwhile, Proparco aids sustainable development in Colombia through strategic investments in the sectors of banking (Bancolombia), energy (Rymel, Celsia), and transportation (Electribus), as well as via investments in small and medium-sized enterprises (Exagon and Aleg II impact investment funds), with total financing of \$404 million.



© Carlos Tobón



For its part, Expertise France, which opened an office in Bogotá in 2018, has implemented key projects such as Euroclima (€1.19 million for climate) and actively supported COP16. In 2024, Expertise France also consolidated its teams with five new projects spanning five technical divisions, created a project support unit, and moved to its new offices. Its recent initiatives include AMAZONÍA+ (€20 million, EU), Mujeres echando raíces (€7 million, AFD), Libres! (€5.5 million to end gender-based violence), EU-LAC Digital Alliance projects, and the FEXTE-Health project in partnership with the relevant Colombian ministry.

These iconic projects illustrate the real-world impact of AFD Group's actions in Colombia, with tangible outcomes in sustainable development, resilient infrastructure, en-

ergy transition, and the reduction of inequalities. It has also mobilized French expertise, companies, and know-how through high-level economic diplomacy. This 15-year partnership reflects a strong ambition rewarded by shared successes.

**AFD Group “by our
partners’ side”: results
from the latest IPSOS
AFD 2024 client survey**

The quality of AFD Group’s relationship with its clients and partners requires ever more attention and understanding, so that we can establish a relationship that adapts to their realities and capacities.

The second client survey carried out in 2024 by IPSOS on behalf of AFD Group included Expertise France for the first time and ran at the same time as the Proparco survey, making it possible to obtain several Group-level indicators. This second survey, which combined sampling and qualitative interviews, confirmed the strength and quality of the trusted relationships AFD Group maintains with its clients and partners as well as the added value it offers.

The findings indicate that two in three clients seek out AFD not only for financing support but also for its expertise in impact and institutional change. The close relationships with the extended global network and dialogue between project teams were especially appreciated, with clients and partners highlighting the engagement, availability, and responsiveness of AFD Group employees.

This feedback reinforces AFD Group’s commitment to work “by our partners’ side.” Upholding this commitment means being ready to adapt to national and regional contexts while drawing from operational synergies and heightened convergence between Group entities to provide a consistent, tailored offer.

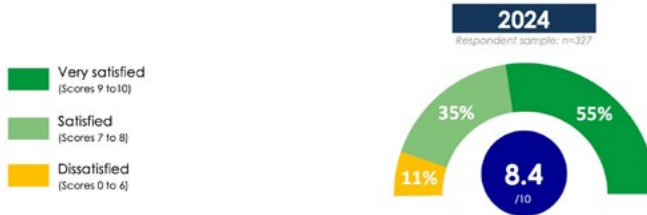
AFD Group is also pursuing efforts to simplify its procedures, improve coordination between its entities, and enhance its marketing tools. The aim is to best address the expectations expressed by clients during the survey, especially by connecting its partners and through mobilization efforts while maximizing the impact of AFD Group operations.

By improving our ability to listen to and adapt to clients’ and partners’ needs, we can reiterate our commitment to providing an enhanced and accessible value offer, overseen by our entire network of managers in France and abroad. Our clients and partners view our “mobilization platform” approach as a strong and valuable instrument that sets us apart.



Clients continually satisfied with their relationship with AFD

How satisfied are you with your overall relationship with AFD?
Scale from 0 to 10



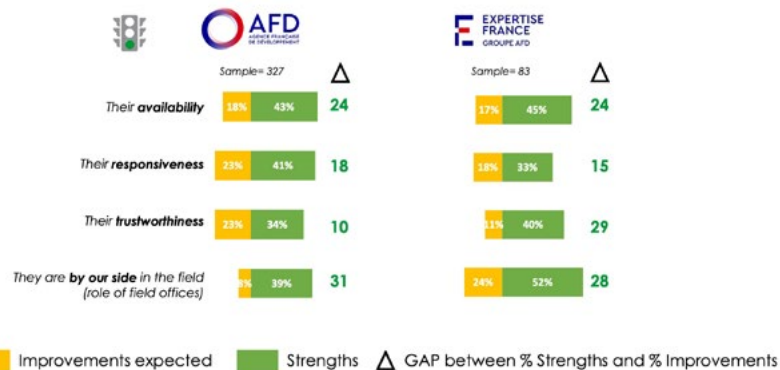
What our clients say:

- “The focal points who support us are very available and attentive. They provide us with good advice to guide us in our grant applications.”
- “Relations with AFD are always characterized by respect and understanding of the constraints of the local authorities. Our contacts are very competent and are always there for us.”



Trusted, available and responsive contacts

In your opinion, which criteria best define your relationship with your contacts?
Which criteria best define their strengths?



A 100% SDG-aligned ambition

As the first public development bank to have aligned itself with the Paris Climate Agreement in 2017, AFD Group is now committed to a "100% SDG" alignment process.

Through its financing, AFD seeks to achieve robust and sustainable development models that combine the integrity of terrestrial and aquatic ecosystems, reduction of inequalities and prosperity for all.

In its Strategy 2025-2030, AFD Group plans to achieve this commitment through:

- increased attention to impacts;



© Leslie Akanyoni / AFD

- systematic consideration of three crosscutting issues: (i) protection of the planet, (ii) reduction of multidimensional and gender inequalities, and (iii) citizen and democratic participation.

To make this commitment a reality, AFD Group has developed processes and tools to strengthen the quality of the operations it finances and to measure their results. These processes and tools, which are integrated into our funding round, help us better address client requests and global challenges.

STRATEGIC PRIORITIES



PLANET



SOCIAL LINK



CITIZENS, INSTITUTIONS,
AND DEMOCRACIES

SOCIALLY RESPONSIBLE AND SUSTAINABLE INVESTMENT PRIORITIES



SUSTAINABLE
INFRASTRUCTURE



HUMAN
DEVELOPMENT



ECONOMY AND
SDG FINANCING

Key facts and figures on AFD Group activity in 2024



€7.7 BN

FOR PROJECTS WITH CLIMATE CO-BENEFITS in foreign countries and French Overseas Territories.

€1.2 BN

IN FINANCING FOR PROJECTS WITH BIODIVERSITY CO-BENEFITS, up 20% compared to 2023.

€427 M

COMMITTED BY AFD GROUP TO PROJECTS TARGETING TEACHER TRAINING.

64%

OF HEALTH-SECTOR COMMITMENTS WITH A COMPONENT TO BOOST HUMAN RESOURCES.

€729 M

COMMITTED BY AFD TO STRENGTHEN AGRICULTURAL AND AGRIFOOD VALUE CHAINS and nearly

€260 M in projects financed **by Proparco** that **SUPPORT AGRICULTURAL PRODUCTION CAPACITIES.**

11.3%

OF ALL GRANTS COMMITTED TO PROMOTING GENDER EQUALITY AS THEIR MAIN OBJECTIVE, representing **€78 M over 25 projects**, half of which are dedicated to the health sector.

OF AFD'S TOTAL COMMITMENTS,

54.5% representing

€5 BN

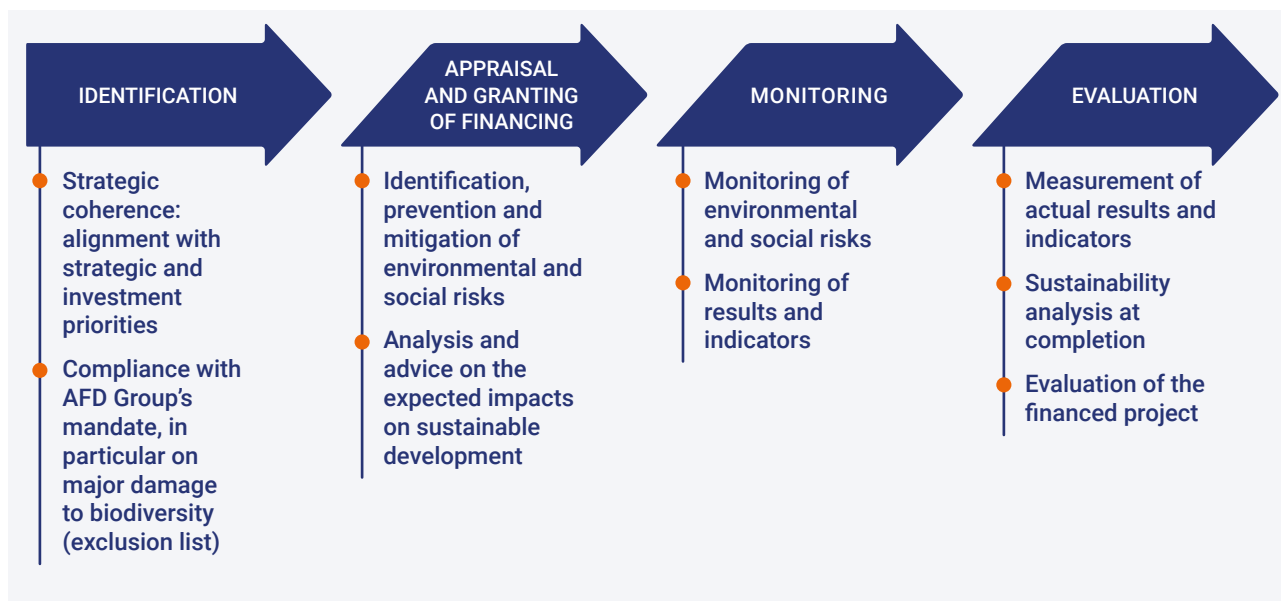
promote **democratic and inclusive governance** as their main or secondary objective

€133 M

INVESTED IN THE GOVERNANCE OF MIGRATION AND FORCED DISPLACEMENT, via capacity building for institutional actors and support for civil society, public migration policies and reintegration for returning migrants.

PART 1 – Boosting the quality of our operations to better address client requests and global challenges

Focusing on results and impacts throughout the project cycle



© Bernd Dittrich / Unsplash

From the appraisal phase, AFD Group puts into motion analyses and procedures to (i) reduce the potential negative impacts of its financing, (ii) increase the positive contributions to sustainable development, and (iii) improve the synergies linking sustainable development issues to meet social and economic objectives while respecting the planet.

When a project is identified, AFD Group ensures that it is consistent with our strategic ambitions and complies with our mandate and in particular our exclusion list. This list, which was updated in 2022, indicates the types of activities that AFD Group refuses to finance because of environmental, social, ethical and regulatory criteria.

During the appraisal phase, AFD Group analyzes the sustainable development impacts expected from its financing (see chart above) and puts into action environmental and social risk management procedures to identify, prevent and mitigate environmental and social damage and human rights violations that could result from the activities we finance. We provide support for our clients to improve the expected impacts of financing as well as to control their technical, financial, institutional, environmental and social risks.

Sustainable development analysis

Questioning and integrating sustainable development issues into projects from the outset



Sustainable development analysis: a tool to align a public bank with the SDGs

An analysis grid to qualify the expected impacts of projects financed

Our sustainable development analysis approach aids in the qualitative management of the operations we finance. It was established at AFD in 2014 and extended to Proparco and Expertise France in 2023. It's through this approach in particular that AFD Group analyzes the estimated effects of its operations on the three strategic priorities of "planet", "social link", and "citizens, institutions and democracies". Through an analysis grid common to all three of our entities but adapted to the specificities of

each, the approach ensures that the projects we finance contribute positively to sustainable development, avoid negative impacts and promote synergies between SDGs. The analysis covers seven dimensions: preservation of biodiversity and natural resource management, transition to a low-carbon trajectory, resilience to climate change, social link and the reduction of inequalities, gender and gender equality, sustainable and resilient economy, and democratic and inclusive governance.

For each sustainable development dimension, the expected impacts of projects are assessed according to their scope:

- Negative impacts: significant -2 or residual -1
- Neutral impacts: 0
- Positive impacts: moderate +1, significant +2, or structural +3..

A common approach, with specificities according to entity

The common framework for sustainable development analysis is adapted to the specificities of the AFD Group subsidiaries and their different activities.

At AFD, the analysis performed by the teams in charge of appraising

operations is reviewed by a team from outside the Operations Department, which then gives a formal opinion to the decision-making bodies (Board of Directors or specialized committees).

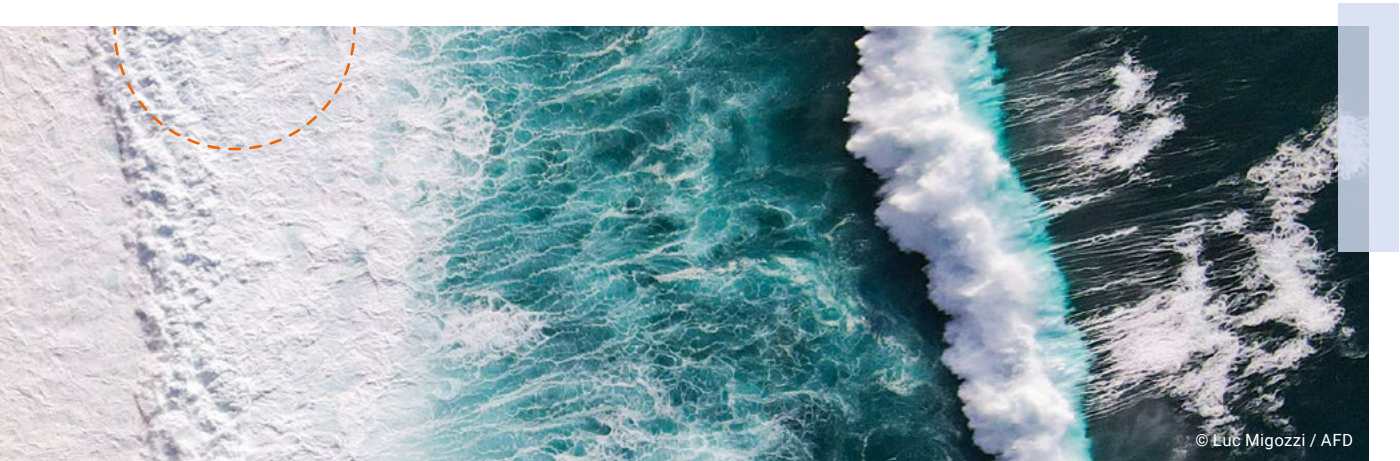
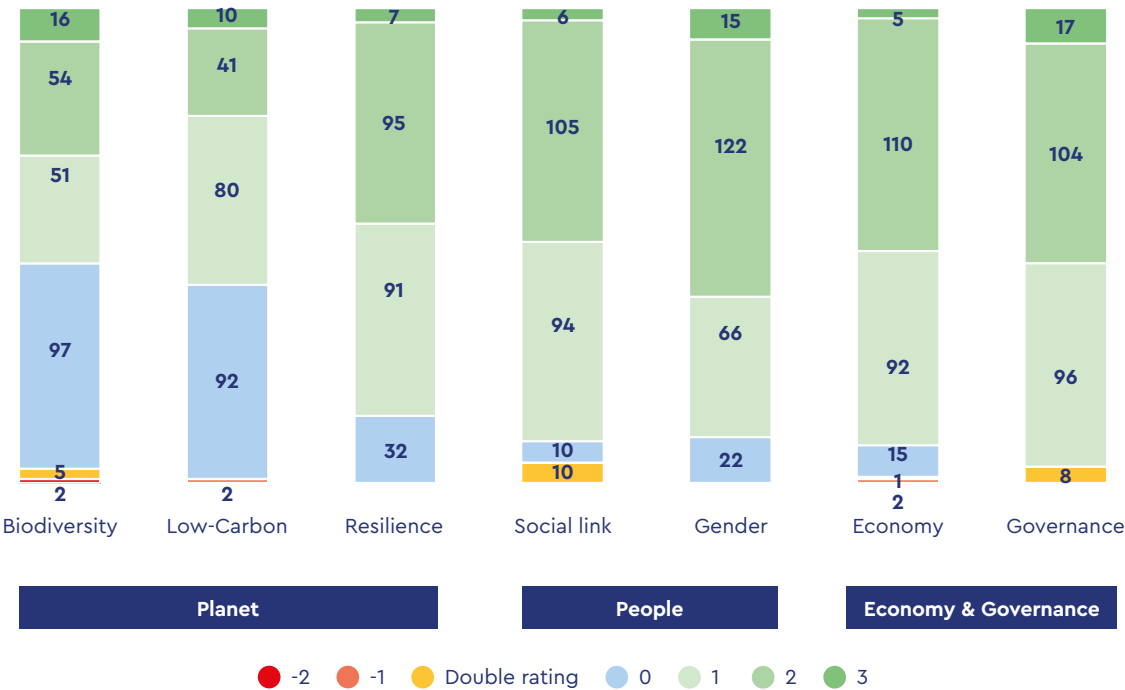
At Proparco, the “ratings review” is not in the form of a formalized opinion at the time its decision-making bodies meet, but, instead, conducted

at an annual review during which the sustainable development ratings of projects with authorized financing are audited, thus enabling these ratings to be approved and adjusted if need be.

Finally, at Expertise France, projects are subject to a single rating by the teams, which is then used by the project development committee to make its decision.

RATINGS OF SUSTAINABLE DEVELOPMENT ASPECTS OF PROJECTS GRANTED BY AFD IN 2024

(number of projects per rating)



© Luc Migozzi / AFD

Sustainable development project analysis and opinion at AFD in 2024

In 2024, 225 projects whose financing was approved by AFD were subject to an analysis as to whether they were “sustainable development” projects. They represented a total of about €9 billion, or 83% of the year’s financing volume.

More than half (57%) of the projects whose financing was approved received a favorable opinion, 36% received a favorable opinion with recommendations, and 7% received a reserved or negative opinion.

The analysis and opinion mechanism encourages reflection on the tensions that long-term ecological trajectories can generate, as well as on the levers to be mobilized to reconcile the various issues to both ensure social justice and adapt to local contexts. The criteria considered include sustainability of agricultural production

methods and soil health, proper water cycle management, the relevance of desalination solutions, infrastructure sustainability and its accessibility to as many people as possible, access to and use of digital technology, green hydrogen, decarbonization transformation, and critical minerals.

Eleven opinions with reservations were issued on projects in Africa, the Middle East, and French Overseas Territories to indicate shortcomings in the management of environmental and social risks or uncertainties about project viability.

Four negative opinions were issued on projects in French Overseas Territories and Asia due to potentially significant negative environmental and social impacts that the requesting institution did not sufficiently qualify.

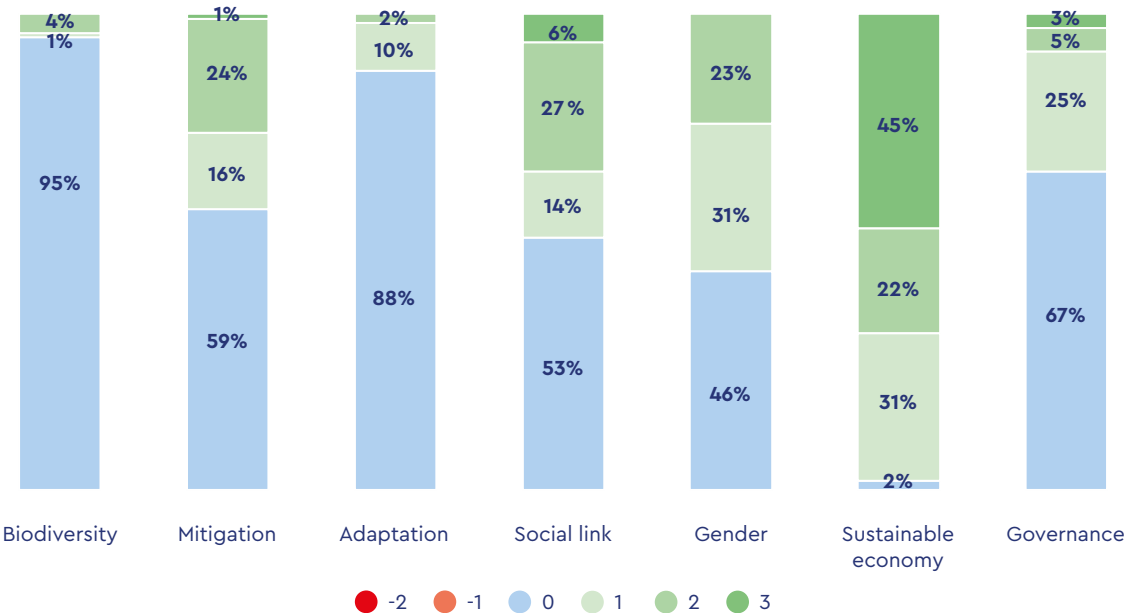
As part of a continuous improvement process, two independent evaluations, launched on the occasion of the 10th anniversary of the

analysis and opinion mechanism, will help draw lessons on its robustness, both in the upstream phase of projects and at their completion.

Sustainable development project analysis at Proparco in 2024

In 2024, 124 projects amounting to €2.66 billion whose financing was authorized by Proparco were subject to an analysis of whether they were sustainable development projects. The rating system was applied to all of Proparco’s projects (except for some technical assistance projects appraised by the department in charge of technical assistance and resource mixing). The criteria used for the sustainable development rating were also updated to align them with Proparco’s 2023-2027 strategy. For the purposes of accountability and continuous improvement, Proparco performs an annual rating review of projects whose financing was authorized.

RATINGS OF SUSTAINABLE DEVELOPMENT ASPECTS OF PROJECTS GRANTED BY PROPARCO IN 2024
 (% of projects per rating)



Thanks to the appraisal process, the projects and their monitoring are based on an intervention logic developed by the partners, along with the stakeholders, who can then mainstream the crosscutting issues of sustainable development into their projects. Indicators are established specifically for each project in collaboration with the client and the stakeholders to facilitate operation management. This dialogue makes it possible to design a monitoring system that is realistic and, above all, adapted to the means and capacities of our partners. The results and impact data help address the need for management, monitoring and accountability of AFD Group and its partners



© Fabrice Mbonankira – Amizero Pictures / AFD

Outcome and impact data

Two types of outcome and impact data are monitored:

- The impact commitments made when the financing is granted: these are the targets corresponding to the expected results of the operations financed, which will be realized in the future.
- The actual and measured results that are produced by the projects that have been closed.

These two types of data, the impact commitments and the actual results, are collected and monitored each year in different project portfolios: the projects closed during the year, for the collection of the actual results and impacts, and the projects whose financing was approved during the year, for the collection of impact commitments.

At the end of the project, the collected results are used to develop analyses and evaluations and to learn from past projects. At AFD, a system to analyze sustainable development at project completion has been in place since mid-2023: the impact commitments in terms of sustainable development at the time of financing are compared with the results achieved in order to enrich reflection on what



Outcomes monitored in 2024: The outcomes are measured on the cohort of projects completed (blue arrows) and the ex-ante commitments to the cohort of projects whose financing was approved (green arrows) during the year.

has worked well and what could be improved upon in project implementation.

Finally, the knowledge produced and the lessons learned from the evaluations are used to adjust projects, strategies, and operational tools in order to improve their quality and amplify their impact on sustainable development as part of a continuous improvement process. In addition to the evaluation, AFD also reviews the practices and experiences stemming from the operations to capitalize on any knowledge that can be shared.

Sustainable refinancing at AFD

2014-2024: 10 years of AFD's first green bond

In 2024, AFD celebrated the 10th anniversary of its first green bond issue. The purpose of theme-based bonds is to finance a specific part of a bond issuer's operations. AFD Group conducts more than 50% of its annual borrowing program through "Sustainable Development Goal" (SDG) bond issues. In 2024, the volume of bond issuance with the SDG label was €4.43 billion.

- Inspired by the World Bank and the European Investment Bank (EIB), AFD was the first French public financial sector issuer to issue a "Climate" theme-based bond, in 2014.
- AFD reached a new milestone in 2020 with the publication – for the first time in France – of a bond framework aligned with the SDGs. By choosing a "sustainable" label, we can clearly indicate the social and environmental objectives targeted within the framework of the loans granted. In 2024, we published an update in order to align the framework with our new Strategy 2025-2030 and to reflect the progress of our internal processes. The sustainable development rating system at AFD and Proparco is a cornerstone of this framework. This framework was assessed by a Second Party Opinion (SPO, Moody's Ratings) and received an SQS2 Sustainability Quality Score of "Very Good".
- Because this is how AFD finances its sustainable development loans, we have developed binding criteria for selecting loans eligible for this type of financing.

Generally speaking, development banks play a pioneering role in the theme-based bond market.

- AFD has seen the share of theme-based bonds it issues within its entire program grow from 20% in 2014 to 55% in 2024, for a total of an equivalent of €4.4 billion. As of 31 December 2023, AFD had €16.77 billion in outstanding theme-based bonds (Climate or Sustainable), backed by €24.5 billion in loans.
- AFD follows the recommendations of the Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines and publishes an annual allocation and

impact report. The issuance frameworks are reviewed by an extra-financial agency. AFD updates its internal evaluation and rating practices in order to better respond to the requests and expectations of its funders and thus maintain its "best in class" ranking.

- Thanks to this positioning and our continuous improvement efforts, AFD Group can share its experience with its partners and borrowers wishing to access financial markets. An example is Armenia's National Mortgage Company (NMC), which specializes in energy efficiency. AFD Group has been supporting NMC since 2024 on the "technical" aspects of a bond issue, including legal documentation, the type of account to be opened, and the establishment of a thematic framework (and therefore the identification of eligible assets, their selection, and then their monitoring). In this way, the AFD Group clients and partners that wish to access financial markets can strengthen their governance and project monitoring.



© Falihery-Francisco / AFD

Sustainable finance actors mobilized by AFD and NMC

Financing for the \$26-million bond issue project with the Armenian National Mortgage Company (NMC) was approved and signed in 2023, and the amount was disbursed in 2024. This bond subscription is part of a long-term partnership with the Armenian bank. As a second-tier financial institution, NMC refinances real-estate loans granted by local financial institutions to Armenian households. NMC thus acts as a housing bank in Armenia.

NMC's business relations with AFD date back 10 years, and the bank obtained two lines of credit to implement the Jerm Ojakh ("well-heated house" in Armenian) program. Its aim was to grant loans to Armenian households to finance the energy renovation of their homes. Jerm Ojakh was a great success, as it not only created a market for energy renovation in Armenia, but also helped change public policies by setting up a pilot program for an energy performance certificate, whose use was then made mandatory by the Armenian authorities for all new buildings built from 1 January 2024.



© Hakob Kotolkyan / AFD

This new bond issuance project with NMC, which draws lessons from the Jerm Ojakh program, takes the form of a bond subscription and is a major milestone for NMC in its green finance growth. Thanks to support from consultants paid through an AFD grant, NMC has updated its internal practices and procedures and has set up an issuance framework for green bonds that has been certified by Moody's as complying with international standards as defined by the International Capital Market Association (ICMA). This green bond will finance loans for the energy renovation of housing, as well as the purchase and construction of green housing. Improving the energy efficiency of buildings is indeed a major challenge in Armenia, a country with very hot summers and very cold winters and whose obsolete housing stock dates largely from the Soviet era.

Going forward...

As part of its Strategy 2025-2030 adopted in 2024, AFD Group will seek to regularly increase the share of SDG bond loans in its financing over the next few years, with the goal of total sustainable financing in accordance with our alignment with the 2030 Agenda.

PART 2 – Measuring results and impacts for better investment

The roadmap to impact: Needs met through actions help refine our strategic goals




The impact pathway starts with financed operations and activities. These are shaped by our clients' re-

quests, through the lens of sustainability and our strategic ambitions (i.e., enhancing citizen involvement and institutions, preserving the planet, and promoting social cohesion/links). Operations built and financed in this way generate development outcomes that are measured and monitored by AFD and thus contribute to the objectives and end goals of impacts.

Strategic ambition

Investment priorities

- ① Sustainable infrastructure
- ② Sustainable infrastructure
- ③ Human development

	 Empower citizens	 Preserve the planet	 Promote social cohesion / social links
3 Impact targets	<ul style="list-style-type: none"> ① Financial systems supporting sustainability ② Enhanced governance and better sustainability of infrastructure ③ Sustainable and inclusive public policies Strong public institutions 	<ul style="list-style-type: none"> Resilient financial actors and system for economies in transition Promotion of environmental co-benefits through infrastructure that is adapted and eco-friendly Healthy lives "One Health" approach 	<ul style="list-style-type: none"> Inclusive and responsible financial actors and systems Equal access to basic services Quality of life in cities Enhanced human capital and reduced hunger through sustainable food systems
2 Monitored results & impacts	<ul style="list-style-type: none"> ① Regulatory frameworks encouraging greening Consolidated financial-system architecture ② Enhanced institutional capacity for sustainable infrastructure management Guaranteed citizen participation in the design and management of infrastructure ③ Enhanced institutions and healthcare and education services Public policies supportive of employment, education, and healthcare for all Improved health security 	<ul style="list-style-type: none"> Financial institutions aligned with sustainable practices Economic actors supported in their transition Communities more resilient to climate change People protected from natural disasters Reduced CO₂ emissions Protection of nature People more resilient to natural disasters Sustainable food and nutrition systems 	<ul style="list-style-type: none"> Increased rates of access to water, electricity, education and healthcare Improved use efficiency to reduce losses Improved quality and safety of services Improved living conditions of vulnerable populations MSMEs (micro, small and medium enterprises) grow Access to education, training, and decent work for all Quality food for vulnerable families Improved universal health coverage
1 Financed activities ROADMAP TO IMPACT/IMPACT PATHWAY	<ul style="list-style-type: none"> ① Responsible finance Improved regulatory, supervisory, and governance frameworks Transformation of financial institutions ② Strengthened capacities for infrastructure operators and managers Citizen participation and gender-equal governance of infrastructures ③ Technical/digital innovations (AI) serving the community Enhanced governance and public policies in health, education, training, and employment Skills development and technical assistance 	<ul style="list-style-type: none"> Greening of stakeholders, SMEs, and strategic sectors Support for insurance systems Financing climate change adaptation and the fight against inequalities Expansion or rehabilitation of sanitation networks and water treatment plants Development of renewable energy production Retraining workers and integrating them into green jobs Sustainable agricultural practices and nutrition programs Early warning systems and disaster response Sustainable and decarbonized social infrastructure 	<ul style="list-style-type: none"> Pilot projects to reduce multidimensional inequalities Support for financial services promoting access to basic services and the fight against poverty Support for education and financial inclusion Expansion or rehabilitation of drinking water networks Social infrastructure (healthcare and education) Green energy access networks Social infrastructure (healthcare and education) Capacity building for stakeholders in health and education systems Mental health and social protection mechanisms

Investment priority #1 – Investing for sustainable infrastructure

To help achieve the SDGs, AFD Group supports the development of quality, sustainable, and resilient infrastructure that meets people's needs. These include quality of life, prosperity, employment, equality, and opportunities for young people. Such infrastructure also helps address challenges to the planet (climate change and threats to the environment and biodiversity) as well as strengthen the institutions in charge of these issues by upgrading skills, improving governance, and fighting corruption.

• Results achieved in 2024: delivering on AFD Group's commitments for infrastructure for all

In 2024, infrastructure investment needs remained considerable following extreme weather events and natural disasters that included storms and destruction of roads and power lines in South Africa, floods and destruction of homes and water supply systems in Pakistan, and landslides and destruction of rural infrastructure in Ethiopia and India, to name a few. These challenges remind us of the vulnerability of infrastructure and its essential role for people.



Svay Chek watershed management using nature-based solutions

A €91-million sovereign loan to Cambodia was made in 2024 to finance the Svay Chek watershed management program in northern Cambodia.

The project reduces the impact of climate events on local populations and improves agricultural sustainability and efficiency. It should benefit everyone living in the river basin area (around 100,000 people). By promoting nature-based solutions and ecological engineering, this project seeks to change the way water resources are managed and serve as an example of best practices.

The Svay Chek River basin

The Svay Chek river basin straddles the border between Thailand (44%) – where the river begins – and Cambodia (56%). On the Cambodian side, it lies in the Banteay Me-

anchey province and is a sub-basin of the Mongkol Borey river basin area. Like most small upstream river basins in this region, the natural hydrologic conditions of Svay Chek are extreme: too much water during the rainy season and none during the dry season. The river naturally stops flowing during the dry season.

The Banteay Meanchey province is characterized by strong population growth (2.2%), high population density, and higher-than-average poverty rates.¹ Within the Svay Chek river basin area, most of the 100,000 residents are farmers.² There are only two farming seasons. The first is the rainy season, when farmers mostly produce paddy rice, the only crop really possible in this flat floodplain area. Cassava is also grown in a few plain areas outside the flood zone, and cashews are grown near the Thai border. The second is the dry season, when around 300 hectares are irrigated with water stored in reservoirs. Agricultural output is low: yields are below the national average (1.5 T/ha compared to 2.5 T/ha) and the rice quality is unremarkable.

¹ <https://app.idpoor.gov.kh/>: While the current poverty rate for this province is the same as the national average (20%), the proportion of households with risk factors for falling into poverty is twice as high (21% compared to 12% for Cambodia).

² Farms are small (50% of farms are less than 2 ha, 33% between 2 ha and 5 ha and only 15% greater than 5 ha).

Although water management is one of the most critical services to improve agricultural yields, two major issues come into play: (i) a deterioration of existing hydro-agricultural infrastructure (the irrigated areas, which serve first and foremost to secure water access during the dry season, are often dysfunctional, with only 60% to 70% on average able to be used to grow crops), and (ii) a lack of formal systems for both natural resource management and agricultural production.

Since the 1960s, the 26 successive works projects (diversion dams, culverts) built along the Svay Chek River have significantly altered the waterway and ecological functioning without any general management or volume/quantity control system ever being implemented. The series of diversion dams along the river and the lack of natural flow cause major problems associated with ecosystem functioning, such as eutrophication and fish migration. Already in 2007, a study recommended restoring the riverbed and re-establishing the storage capacities of some reservoirs to ensure and improve water availability for different uses (irrigation and domestic use), and to restore the river system and biodiversity.

Gender-related issues

Cambodian women are very active in the agricultural sector and handle various manual tasks. In the project area, women working in agriculture generally have higher workloads than men and attain lower levels of education. They face a range of challenges, including low rates of participation in consultative meetings, low rates of representation in local governance and project development (technical and general financial training are reserved for husbands as the heads of household), low access to development project benefits (workshops, meetings, forums, study visits), weak participation in farmers' networks and water user and agro-industry groups (due to lack of support from husbands, lack of time due to household tasks, lack of confidence, cultural barriers, etc.).

It was within this context that the Royal Government of Cambodia requested assistance from AFD to develop a gender-sensitive pilot project based on environmental engineering principles to manage water resources, reduce climate risks, and develop agriculture in the Svay Chek river basin area.



© Morgan Havet



© Mobeen Salman Ansari / AFD

Impact objective:
Livable cities

Against this backdrop, AFD has taken strong action and delivered concrete results: the projects closed in 2024 have improved quality of life for more than 11 million urban residents and users, a result that meets 100% of the commitments made at the time of grant approval. As part of the 2024 financial year and in response to our clients' requests, we have ramped up our commitments in the form of €800 million in new infrastructure investments, making it possible to improve the quality of life of nearly 17 million additional users.

Impact objective:
*Equal access to basic services /
Mobility for all*

In addition to our contribution to improving quality of life in urban areas, we continue to work to support sustainable transportation in and outside cities, responding to the challenge of making people in remote areas less isolated. The projects that were closed in 2024 improved access to transportation networks for 1 million people, thereby exceeding our initial target of 800,000 beneficiaries. This commitment is continuing in 2024 with new investments of €795 million, which will give an additional 7 million people better access to transportation networks in the coming years.



LEARNING FROM EVALUATIONS to make better investments

Improved access

to transportation networks

A little less than 10 years after the inauguration of the first tramways in Rabat-Salé and Casablanca, Morocco (co-financed by AFD), an evaluation was conducted to assess the impacts of the projects, not only in terms of mobility but also on all aspects of urban life. The evaluation concluded that these two tramways provided many improvements in both qualitative and quantitative aspects of local people's lives.

Effects on mobility: With daily trips in 2018 numbering 120,000 for Rabat-Salé and 110,000 for Casablanca, the tramways have met a clear need. More than 10% of residents in the tramway coverage areas use the tramways as a means (other than walking, 2014 figures) to go to work, and even more to go to school. Women use them twice as often as men to get around the city. It is buses and large-size taxis that are being replaced, and, for women, transportation as passengers in private cars.

Success factors: Trust in a reliable, safe, and decent mode of transportation, and a calm space that is "just like a car" for those who take it. This positive perception is essential to keep households from choosing to have shared or individual personal vehicles in the long run and to help maintain mass transit options given the collapse of the bus systems.

Other consequences: The two tramways were supported by an urban project to redevelop public roads, lighting, and spaces, including in neighborhoods that are underserved by the public authorities. However, these renovations were rarely coordinated with urban planning policies, which have a regional focus and do not sufficiently account for the tramway. Private ventures alone cannot fully justify this infrastructure: the tramway has had little effect on real-estate values and has yet to attract companies, which are only starting to consider how their employees get to work. Shop owners are still trying to figure out how to adapt to tramway customers. However, this could change: in both cities, residents are now choosing to live and

work near the tramway to enjoy improved accessibility across the area it serves. Companies and businesses may eventually follow suit.

Additionally, the two tramways have already reduced greenhouse gas emissions, which are down 25% in Rabat-Salé and 56% in Casablanca. The date at which carbon neutrality will be reached (construction included) is expected within 30 years but will depend on the pace of electricity decarbonization in Morocco, as production there is mainly hydrocarbon based.

In the end, the two tramway projects have had impacts on both cities, but they also made it possible to create a long-term governance and financing model for mass transit in Morocco. This model is now being largely applied to the new bus networks launched in 2020. Going forward, the goal will be to connect the different modes of transportation to enable as many Rabat-Salé and Casablanca residents as possible to enjoy sustainable, decent transportation conditions, which are essential to development.



© Srishti Bhardwaj – Ofred Studios / AFD

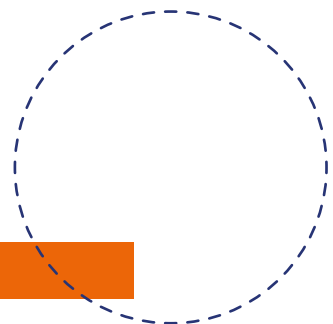
Impact objective:
*Equal access to basic services /
Energy for all*

Energy independence has become a major issue against a backdrop of (i) rising costs of building and operating infrastructure, especially in developing countries, and (ii) increasing fossil fuel prices due to geopolitical tensions. This has led to an increase in investment in renewable energy, which for the first time surpassed that of fossil fuels in 2024, according to the International Energy Agency (IEA). The projects closed that same year improved access to or the quality of electricity service for 360,000 people, compared to an initial commitment of 400,000 beneficiaries when the projects were approved. This difference is explained by the abandonment of the rehabilitation of an electric power line in Guinea due to technical constraints and high costs of compensation for users of existing lines.

To meet the current challenges of energy independence and access to quality electricity services, AFD is strengthening its commitment to the sector, having approved financing in 2024 for three new projects that will benefit 940,000 people. In South Africa in particular, AFD is supporting the just energy transition through a public-policy loan, in a country where 87% of electricity comes from coal. The goal is to address the challenges of poverty, unemployment, and inequality while promoting more inclusive and sustainable development.

Impact objective:
*Equal access to basic services /
Water for all*

As the water and sanitation sector gains prominence on the international agenda, the projects closed in 2024 have enabled more than 1.5 million people to benefit from a safely managed drinking water or sanitation service, a result that meets 100% of the commitments made at the time of project approval. To continue these efforts, the projects whose financing was approved in 2024 will enable an additional 1.2 million people to access these services. In particular, AFD is financing a project in Brazil to strengthen the resilience of rural people to the effects of climate change. The Nordeste region, which is particularly affected, accounts for 46% of waterborne diseases and 39% of deaths related to these diseases, despite being home to only a quarter of the country's population. By including a specific approach to support gender equality, the project will reduce risks related to waterborne and climate-sensitive diseases for more than 60,000 people, as well as encourage men to become more involved in water management and in family health in their household.





LEARNING FROM EVALUATIONS to make better investments

Access to securely managed sanitation services

Since 2002, AFD has been providing assistance to Cambodia for its urban water supply network. A comparative assessment of three projects (two in Phnom Penh and one in Siem Reap) was completed in 2023.

Users are charged differently based on their water use and social strata, with costs generally considered affordable by users. Social policies (such as aid provided for network connection) and communication campaigns on the importance of using running water have had a positive impact. Some users do not want to connect to the network. Others are connected, but must still rely on private wells to fulfill their needs – this is the case of companies in the tourism sector, among others, with high use levels (e.g., hotels).

The projects provided capacity building for water company employees at various levels (technical, management, finance, etc.), which other authorities

view as an example to follow. The COVID-19 pandemic led to several training sessions being canceled. Additionally, some training courses were not always sufficiently tailored to staff profiles at the Phnom Penh Water Supply Authority (PPWSA), and the Siem Reap Water Supply Authority (SRWSA) still faces significant training needs.

AFD was able to quickly mobilize funds for large-scale projects and established long-lasting and trusted partnerships with the water authorities. It is considered a flexible partner that understands the issues and challenges the sector faces. In Siem Reap, efforts were made to ensure alignment and complementarity with parallel projects conducted by the Japan International Cooperation Agency (JICA) and the Asian Development Bank (ADB). However, the assessment did find contradictory technical approaches and a lack of coordination.

Investment priority #2 – Investing for human development

Investing in socially responsible and sustainable projects and building human capital are the basis for any just and low-carbon transition, including at the local level and for people vulnerable to crises and conflicts. They represent our commitments to provide access to essential services and to support the institutions and public policies that ensure the sustainability of investments and social progress in a more inclusive, more equitable, and peaceful world – a world that is working together for just transitions by investing in young people.

Results achieved in 2024: meeting AFD Group's human development commitments

In 2024, the continued strong demand for investment in human capital was driven by needs in training, access to basic services (education, health, water, sanitation, housing), and support for social reforms. It's against this backdrop that AFD-financed projects closed in 2024 helped support **87,959 economically vulnerable people**, representing 62% of the initial commitments made at the time project financing was approved.

The projects implemented by **Expertise France** in 2024 led to 977,000 people gaining access to basic social services and provided support for more than 3,000 service-providing facilities.

The projects approved for financing by AFD in 2024 will provide support for just under **2 million additional people**.



DÉESSE program to promote women's sexual empowerment, health, and rights in Chad

The DÉESSE program to promote women's sexual empowerment, health, and rights in Chad is an €11-million grant approved by AFD in 2024 to reduce gender inequality in the country by improving women's sexual and reproductive health and rights. This program builds on two projects financed by AFD between 2019 and 2024: the PASFASS (in the Mandoul and Logone Oriental provinces) and Pro-GeSan (in the Guéra and Wadi-Fira provinces). These two projects worked to foster women's social empowerment in Chad through access to health services and the prevention of gender-based violence. The current program adds a crosscutting component to create synergies between the two projects for capitalization and research on sexual and reproductive health and rights and gender-based violence.

Chad, a low-income country with a low Human Development Index score, is up against major challenges, including strong population growth and an economic crisis exacerbated by security issues. The health system is especially fragile, with one of the highest maternal and infant mortality rates in the world, largely due to limited access to sexual, reproductive, maternal, newborn, child, and ad-

olescent health (SRMNCAH) services. Chad also scores poorly on gender equality: women face discrimination from social institutions, leaving them with very little access to basic services; they have limited control over their resources; their basic rights are not consistently applied when they clash with customary law; and they face physical abuse. The DÉESSE program comes at a time when the Chadian government is working to improve access to quality healthcare and efficient sexual and reproductive health services, in line with the national health policy for the 2016-2030 period.

The program focuses on the structural factors that limit access to health services and the ability of women and girls to make decisions about their health. It is working to reinforce the health system to promote gender-sensitive services for SRHR/SRMNCAH/GBV care and increase demand for access to sexual and reproductive health services. The program is also striving to tackle gender-based violence and empower women and girls with regard to patriarchal norms while also encouraging men and boys to be included in efforts to tackle SRHR and GBV issues. By working with local stakeholders, the program seeks to improve the lives of women and girls in their communities.

Impact objective:
Support healthy lives / Health
for all

In the health sector, the projects closed in 2024 have **improved access to healthcare for nearly 7.4 million people**, meeting 100% of the commitments made at the time of finance approval. In addition, more than **4.4 million people benefited from improved social protection**, far exceeding the initial target of 2 million people. The momentum observed in 2024 demonstrates that the demand for social investment, following the COVID-19 emergency, remains significant.

AFD reaffirmed its commitment to these issues by ensuring that the projects whose financing was approved during the year will benefit **1 million people in terms of social protection and 6 million in terms of better access to care**. In Morocco, for example, AFD is supporting the extension of mandatory health insurance, aiming for universal health coverage via a gender-sensitive approach.



LEARNING FROM EVALUATIONS to make better investments

Health for all

The Health in Common initiative, launched in April 2020, was one of AFD's most important responses to COVID-19 in Africa. An independent evaluation of this emergency initiative noted several ways to ensure an efficient response in the event of future crises.

A suitable response despite the urgency

Positive outcomes were identified for the health component, such as capacity building in diagnostics and epidemiological surveillance and safe treatment pathways. For example, AFD's support for the international Institut Pasteur network helped detect cases and test populations around the world while improving understanding of the disease.

AFD Group's response also mitigated the socioeconomic impact of the crisis. In Senegal, the NIAMDE project, led by a coalition of NGOs, improved access to food for more than 9,000 students in 57 schools while also supporting agrifood companies affected by the pandemic.

The decisive role of local stakeholders

Another key recommendation was to work with long-standing partners or those already active on the ground, especially civil society organizations. Working with stakeholders who are already active in the field makes it possible to adapt to local conditions and remain flexible. A community-based approach also helps better target vulnerable people through awareness-raising, early detection, and other activities.

Planning for crises and post-crisis responses

Although AFD was able to provide a timely response, the evaluation recommended establishing internal mechanisms to make procedures and human resource management more flexible under emergency circumstances.

The final suggestion for improvement was to better coordinate responses in the short term and strengthen health systems in the long term. While formally developing such actions is difficult during an emergency, the evaluation underscored the importance of including crisis exit strategies within projects. The evaluation also emphasized the need to invest during non-crisis times in capacity building for better pandemic prevention, preparedness and response.

To find out more: Watch the webinar (available in French): "(En)quête d'évaluation: Quels résultats de la réponse de l'AFD à la crise Covid-19 ?": <https://www.afd.fr/fr/actualites/agenda/quels-resultats-de-la-reponse-de-lafd-la-crise-covid-19>

Source: AFD Group Evaluations Report 2025

Impact objective:
*Strengthen human capital /
Eradicate educational poverty*

With regard to education and vocational training, the projects closed in 2024 have provided access to suitable programs for **308,485 people**, far more than the initial commitment of 250,000 people. Despite questions about the future of the basic education sector (which is highly dependent on grant amounts), AFD is strengthening its commitment to the sector, and the projects whose financing was approved in 2024 will help extend access to education and vocational training to more than **9 million people**.

In the Central African Republic, AFD is supporting a project to reduce gender inequalities in the education sector in nearly 300 schools. In the region where the project takes place, 30% of children work in mines under hazardous conditions. They are exposed to significant risks, and girls in particular face the threat of gender-based violence. The project works to promote gender equality in and through education by strengthening community cohesion and supporting crisis resolution through a holistic approach.



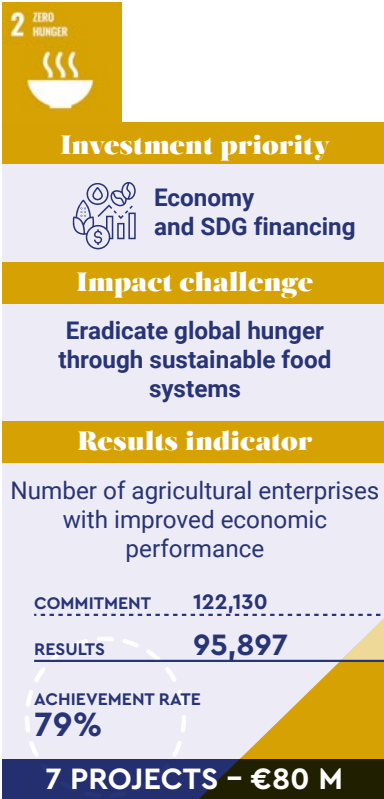
**Investment priority #3 –
Investing for a sustainable
economy and financial systems**

For AFD Group, developing an economy and financial systems that are sustainable means ensuring that growth creates decent jobs, reduces inequalities, and generates shared and inclusive prosperity. It must also ensure that the essential functions provided by nature persist over time. This goal is fully consistent with the Paris Pact for People and the Planet, which is aimed at fighting inequality, the effects of climate change, and the destruction of nature's capital.

In 2024, the issues of sustainable economy and SDG financing were key topics on the international agenda, especially at major meetings such as the G20, the G7, and the conferences on climate and biodiversity. Against this backdrop, AFD

is strengthening its support for public and private initiatives and investments that support long-term development.

Among the projects closed in 2024, four have provided **new or improved access to suitable financial services to 53,989 people**, exceeding our initial commitment of 28,000 people, and six have led to **improved economic performance for 96,000 agricultural businesses**, or approximately 80% of the target set. Meanwhile, some 40 projects whose financing was approved in 2024 will help support **920,000 agricultural businesses** in optimizing their performance and improve access to financial services for an additional **980,000 people**.



Credit line with a results-based framework for Bancóldex's sustainable development ambitions in Colombia

This \$100-million loan was made in 2024 to increase financing for sustainable and inclusive initiatives to mitigate and adapt to climate change as well as for projects with positive impacts on biodiversity. It helps Colombian

companies adopt a sustainable path while supporting the internal transformation of Bancóldex, a development bank specialized in financing private companies. By supporting Bancóldex, AFD is helping diversify the financial services offer to better meet the needs of vulnerable populations, including women and Indigenous peoples, by providing other actions in addition to the loan. These include a training program, a trial mentoring project, and a diagnostic of the impacts of lines of credit extended to women.



LEARNING FROM EVALUATIONS to make better investments

Access to financial services

For economic activity to become a genuine driving force for empowerment, initiatives must be tailored to local situations. The evaluation of eight microfinance projects, carried out in Tunisia between 2013 and 2018 with the support of AFD and Proparco, illustrates this challenge: the number of microcredits granted to women increased during the evaluation period (2014-2021), but the actual share of total loans granted fell from 67% to 45%. This is mainly due to two structural barriers: the more informal nature of work that women perform and less access to the guarantees required to obtain a microcredit.

To ensure that projects benefit women and men equally, it's crucial to develop mechanisms that address women's specific needs, including those beyond the economic sphere. A synthesis conducted by the World Bank and AFD of several impact evaluations suggests several specific ways to broaden women's access to training and jobs. For example, female instructors could be hired where interactions with male instructors are poorly accepted; training could be given to couples; or childcare services and flexible hours could be offered.

Source: AFD Group Evaluations Report 2025

Agricultural business performance

Two food security projects were implemented between 2010 and 2019: one in Senegal (3PRD to improve self-sufficiency in rice), and a second in Chad (PAHA-BL on hydro-agricultural development). Both project evaluations highlighted encouraging progress achieved in food security. However, both evaluations also noted that the needs and constraints of local stakeholders should be better taken into account.

In Chad, women's needs were not sufficiently identified ahead of project implementation. Their lower incomes made it impossible for them to invest in irrigation equipment or cross the river (which they could previously walk across) to sell their products. Although they have benefited from better access to water, they saw more limited gains. Specific financial support could have been useful.

Certain limitations have also been observed in Senegal, including issues with agricultural yields, the difficulty for farmers to access credit and equipment, and drainage problems in rice-growing areas. "Not everything is perfect, as land tenure is a complex issue," said Alassane Ba, CEO of the Senegal River Delta Land Development and Exploitation Company (SAED). "The rice sector is still being structured and faces difficulties. At this stage, it's not possible to replicate the 3PRD model in other parts of the valley."

Source: AFD Group Evaluations Report 2025

A mobilization platform

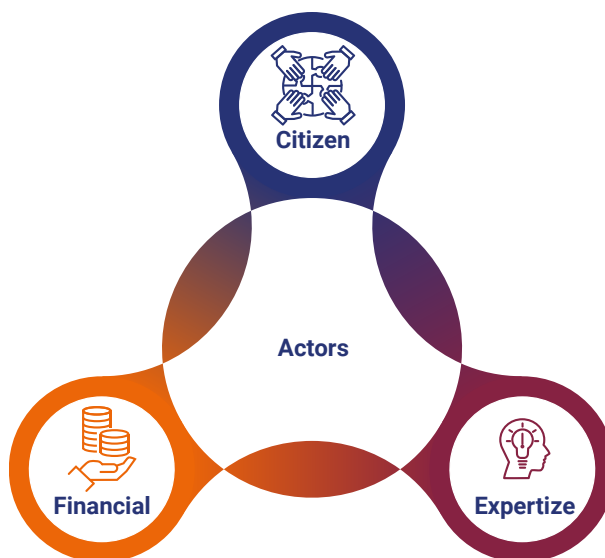
AFD Group plans to expand its action and contribute to mobilizing the forces of change to achieve the SDGs. We will work through three priority and complementary channels.

- **Financial mobilization:** The aim is to increase and qualitatively redirect additional resources. Investment in developing countries already reaches more than \$10 trillion per year, as much as that in high-income countries. Of this amount, 80% is private and 90% domestic. Despite growing interest in impact finance, private finance needs public intervention and regulation to move faster toward reaching the SDGs.
- **Civic and partnership mobilization:** The commitment of the nation's driving forces (civil society, youth, opinion leaders, and citizens themselves) is a lever for action that is still underexploited by development institutions.
- **Mobilization of knowledge, technology, and expertise:** For AFD Group, this means working to support, capitalize on, and develop the knowledge and know-how, innovations, and skills needed to carry out our mission.



© Jam Productions / Proparco

3 types of mobilization



We build coalitions and communities of actors to expand our impacts.



Mobilization of French know-how and expertise in AFD Group projects

In 2024, AFD Group generated €2.4 billion in economic benefits for private French companies alone.¹

Une mobilisation significative des entreprises françaises

AFD-supported projects in the areas where AFD Group works created 323 tender contract opportunities open to international players, including French companies, via international calls for tender; 82% of contracts generated by AFD pro-

jects led to international competition.² The overall value of these contracts was €2.3 billion. AFD financing represented €1.3 billion of this amount. These international contracts were mainly concentrated in Africa, where there is a particularly strong demand for French expertise (73% in Africa, 23% in Asia and the Middle East, 3% in the “Three Oceans” region, and less than 1% in Latin America).

French companies were very active in these tenders, yet very selective in those which they applied: their participation rate³ reached more than 65% as a monetary amount (compared to 57% in 2023). Their success rate was also particularly high, at 68%. This correlation between rate of participation and rate of success reflects the strategy of French companies to be selective in their applications to tenders. This strategy of selectivity was even more pronounced for infrastructure tenders, for which the cost of responding to an international call for tender is very high, and in emerging countries, where local competition is stronger (for example, French companies did not submit bids for infrastructure tenders in India, leaving local companies to compete). Tender selectivity is very high in Asia and the Middle East, where the success rate surpassed 94%⁴ (compared to 60% in Africa).

Thanks to French and European funding, Expertise France is a key vehicle for French and European economic diplomacy.

While Expertise France is not intended as an institution to support French exporters and investors, it helps create a favorable context in various ways for French private-sector business in the countries where it operates. For example, it improves the business climate and environment through anti-corruption projects and support for public-private partnerships (PPPs), promotes and acts as a showcase-demonstrator of private know-how, and generates contract opportunities. Between 2022 and 2024, 43% of the amount of contracts exceeding €100,000 awarded by Expertise France went to French contractors.

Deployment of individual international technical experts in the economic field is also an effective tool for meeting the technical needs of partner countries. It also enhances France's strategic dialogue in this field as well as knowledge on the ground.

¹ These economic benefits include international, national, and directly awarded (i.e., not subject to bids for tender) contracts won by French companies. Contracts financed by AFD, Proparco, Expertise France and STOA.

² The 2024 “contracts” survey lists the contracts resulting from the project aid agreements signed between the project leaders and their service providers. The results are calculated based only on the volume of contracts financed by AFD (excluding the part financed by a co-financer, such as the EU via delegated funds). **There can be adjustments to the data during the year in the event of corrections.**

³ The annual participation rate of French companies in international tenders measures French companies' interest in the tender opportunities created by AFD projects and tends to indicate the communication efforts made by AFD field offices to reach them. Since AFD has already developed several dedicated communication tools as well as solutions to support companies wishing to participate in public procurement tenders, the participation rate is mainly influenced by the following factors: economic conditions, the strategy of French companies, and the pace of project execution.

⁴ Participation by French companies in international bids for public works and supply contracts in Asia and the Middle East is limited, due to increased local competition, particularly in emerging countries. French companies target markets for intellectual services in which they have expertise and added value, and for which they are practically sure of winning the contract.

For the French private sector and Team France

The year 2024 was marked by expanded collaboration and coordination between AFD Group and the French private-sector ecosystem, in particular through the establishment of coordination committees for seven strategic sectors under the aegis of the French Treasury. These sectors were sustainable cities, health, agriculture, transport, digital technology, energy transition, and cultural and creative industries. Other actions with Team France Export (TFE) were implemented to improve mutual knowledge of financing tools and how they are linked to increase French economic benefits abroad. These exchanges are key to better understanding the existing and innovative French industrial offer that can be deployed in the areas where AFD operates. AFD is bolstering its partnership with French companies in order to improve communication on and understanding of common challenges, to support more successful rollout by those companies. In this regard, the signing of the AFD Group's strategic partnership agreement with the SUEZ Group is a significant step that marks new dynamics with French companies (with new agreements in preparation).

Financial mobilization

Responding to client needs: mobilization of European co-financing and delegated funds by AFD Group

AFD has been accredited to manage European Union (EU) external financing. It has managed a total of €5 billion in EU delegated funds since 2015, with a moderate leverage effect on its loans. Proparco

has likewise been accredited since 2015, making it possible to also mobilize the European Commission's guarantee tools, which are at the heart of the latter's strategy to boost financing for the private sector. For Expertise France, which joined AFD Group on 1 January 2022, delegated funding represents half of its grant resources, the other half coming from the French government, in particular via AFD.

In 2024, AFD Group financed a total of €1.2 billion in commitments using delegated funds, including €430 million from the EU (excluding those of

Expertise France, which signed €450 million in contracts with the EU).

Proparco was able to mobilize €2.06 billion in private financing in 2024, out of a total of €2.75 billion of financing signed, in particular thanks to its guarantee and private equity activity, which generates a mobilized financing ratio of more than 1.5 times the funds invested.

A strategic

partnership with SUEZ

In 2024, AFD Group added a new dimension to its collaboration with SUEZ by signing a strategic partnership agreement. SUEZ is recognized in France, and in countries where AFD Group operates, for the quality of its expertise in sustainable cities (water and sanitation, waste management, and smart city systems). This collaboration enables both corporate groups to strengthen their mutual knowledge in this area (through technical workshops, site visits, joint work between AFD Group and SUEZ experts) and build AFD Group's capacity to mobilize this technical expertise for its operations. This partnership has also led to other activities, such as the co-financing by AFD and the SUEZ Foundation of AgroParisTech's Water for All Chair. Since 2009, it has trained 389 utilities managers in 52 Global South countries, making the Chair a tool for outreach and economic influence by promoting models and the French offer around the world.





Co-financing with other European donors

AFD also co-finances with other European donors. KfW is AFD's second-largest co-financing partner, behind the World Bank Group, and the largest among national public banks. Between 2020 and 2023, the two institutions co-financed an annual volume of €1.5 billion on average. For the private sector, KfW's subsidiary DEG is Proparco's main co-financer. Together they co-financed a total of €2.7 billion over the previous three years. The EIB is also a key partner of AFD. Through the Mutual Reliance Initiative (MRI), the two institutions co-financed a total of €1.66 billion in 2024.

Joint European Financiers for International Cooperation (JEFIC)

This year, AFD is chairing the JEFIC, which brings together the five European public development banks (AECID, AFD, BGK, CDP, and KfW). AFD is conducting advocacy on behalf of the JEFIC in the negotiations on the next EU Multiannual Financial Framework. It especially focuses on issues related to (i) promoting open architecture, by aligning on common priorities clearly and strengthening the complementarity of Team Europe actors; (ii) keeping a simplified, inclusive, and balanced approach to EFDS+ financial instruments; and (iii) highlighting an enhanced relationship between the EU and its dedicated partners with simplified governance.

The issues of strengthening and structuring the network as well as of expanding it to new members are also topics that the AFD chair of the JEFIC network is actively working on.

European Development Finance Institutions (EDFI)

Proparco, a member of the Association of European Development Finance Institutions (EDFI), which brings together 15 public institutions supporting the private sector in emerging and frontier markets, fully embraces the strategic priorities of the European Commission. Mobilization of the private sector is a key lever of the Global Gateway initiative, which seeks to promote sustainable, innovative, and high-impact investments in the EU's partner regions.

Practitioners Network

Expertise France took over the presidency of the Practitioners' Network (PN) from May 2023 and was joined in May 2024 by the Austrian Development Agency (ADA) to co-preside the network until the end of April 2025. At the PN general assembly held in Madrid in May 2023, Expertise France CEO Jérémie Pellet announced that the network should make European development action more effective and mobilize the expertise of its members. He set out the objectives of Expertise France as follows: (i) better position the network and technical cooperation within the architecture of European aid, (ii) improve its visibility and the acknowledgment of cooperation in the European and international ecosystem, and (iii) expand its membership and ensure its longevity.

Within the PN, Expertise France is strengthening its links with its European counterparts via the working groups it co-coordinates (on fragility and finance contracts). It's also actively represented in the network's other working groups in order to give visibility to Expertise France's priorities in the European arena. Because the link between technical and financial cooperation is one of its priorities, during its presidency Expertise France promoted the Team Europe approach and joint initiatives within the network and among its members, as well as with their European EDFI and JEFIC partners.

In recent months, the PN has increasingly turned to the "European Neighbourhood", which is a major priority for European actors. For example, it organized its second country visit in March 2024, to Tirana, Albania. This field visit brought together several European development partners, giving them the opportunity to learn from each other and identify new avenues of collaboration to enhance and coordinate Team Europe's technical offer in Albania and the rest of the Balkans.

During its two years holding the presidency, Expertise France represented the PN at many high-level European and international events, including the Global Gateway Forum, Paris Peace Forum, COP, FICS, EU DG DEV meetings, EU CODEV-PI, EU Development Directors-General meetings, and the Ukraine Recovery Conference.

Internally, the Expertise France-led presidency undertook to encourage participation and involvement by its members, with the goals of expanding the network and preparing it for the future. Expertise France made progress on important issues relating to the network's long-term future, by initiating joint reflection on two main components: a legal component, with the development of a new PN charter so that the network can be officially registered as an association in Belgium, and a financial and management component, to think about the network's longevity. After two years of work on these internal aspects, the PN became an international association under Belgian law on 13 January 2025. The network's secretariat was also expanded and membership fees revised.



© Paul Lemaire /AFD

Moldova

A support project for the energy sector, as part of the process of joining the EU, involving EU delegated funds to AFD (technical assistance, €4.25 million) alongside a €40 million loan to the Moldovan government. The project, which began in November 2023, will support the Moldovan Ministry of Energy as well as other energy stakeholders in the country to undertake a sustainable green transition of the energy sector while complying with the necessary Community acquis required to join the EU.

Vietnam

The Bac Ai hydroelectric power plant project supports the country's energy transition. It is co-financed as a Team Europe+ Initiative by the following: the EU (via the Project Preparation Facility); five European co-financers including AFD Group (AFD and Proparco), Germany's KfW development bank, the EIB, and Italy's CDP development bank; and the Japan International Cooperation Agency (JICA). This project, for a total of €690 million (with €80 million from each co-funder and €210 million in self-funding), is a strategic public investment with the creation of the country's first pumped-storage hydropower plant.



© François Carlet-Soulages



A closer look

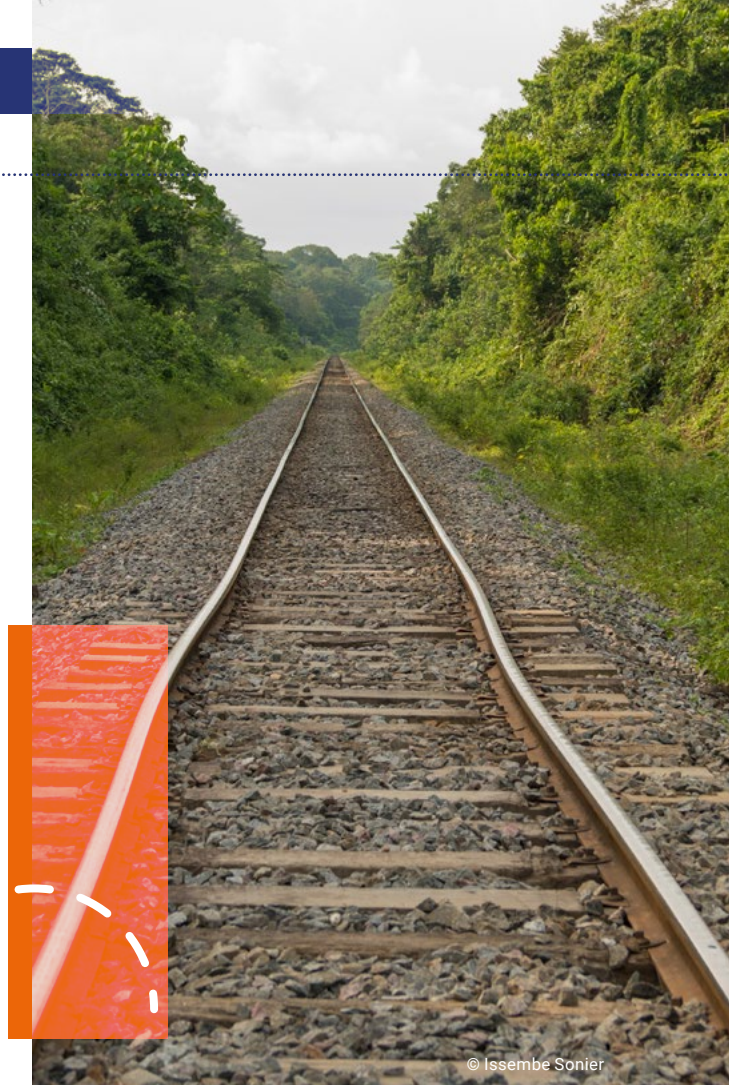
at Global Gateway



The Global Gateway strategy is a vast European investment plan that has set aside €300 billion for the 2021-2027 period to fund sustainable, quality infrastructure projects outside the EU (half of which are in Africa) through the Neighbourhood, Development and International Cooperation Instrument (NDICI). It is overseen by the Directorate-General for International Partnerships (DG INTPA); the Directorate-General for Enlargement and the Eastern Neighbourhood (DG ENEST); and the Directorate-General for the Middle East, North Africa and the Gulf (DG MENA) of the European Commission. Global Gateway is the European offer for the rest of the world, founded on the principles of mutual beneficial partnerships that take into account the EU's economic and commercial interests.

Over the 2023-2025 period, AFD Group was a stakeholder in 53 Global Gateway flagship projects, to which it provided a financial contribution of €4.9 billion. This places AFD Group as the leading bilateral contributor to Global Gateway flagship projects (and third-largest contributor overall after the EIB and EBRD), with 28 of the 138 new Global Gateway flagship projects being led by AFD Group in 2024.

The Transgabonais railway upgrade program in Gabon is a 2025 Global Gateway flagship program for the key area of "Transport". It is jointly financed by AFD Group and the European Commission. The goal of the project is to modernize the country's main rail line (644 km of tracks) to more reliably transport passengers and merchandise between the capital of Libreville and Franceville, the country's third-largest city and main producer of manganese. The AFD loan combined with the EU delegated funds (€173 million + €30 million) will enable the Gabonese government to upgrade the tracks, while financing from Proparco and the International Financial Corporation – IFC (€190 million) will go directly to SE-TRAG (the railway management company) to purchase new trains.



© Issembe Sonier

In Central Asia, the Aral Sea project, which is financed by AFD (€30 million), the EIB (€30 million), and the EU (€8 million in funds delegated to AFD), is a 2024 Global Gateway flagship project for the key area of "Climate and Energy". This project aims to sustainably restore degraded land (e.g. the Aral Sea, which is currently drying up) while promoting agricultural and pastoral livelihoods, improving public health, and supporting climate change adaptation and biodiversity preservation in Karakalpakstan. The EIB and AFD are working with the Forestry Committee of Karakalpakstan in three areas: (i) strengthening the "green belt" (soil protection and restoration), (ii) agroforestry support, and (iii) capacity building for the Forestry Committee (with EU financing). The project is part of the national Inclusive Green Growth Team Europe Initiative.



- The IDFC members and multilateral development banks adopted outcome metrics for a common approach to measuring climate finance outcomes at COP29.

COP29 on climate (held in November 2024 in Baku, Azerbaijan) began setting up a new climate finance regime, in line with the Paris Agreement. The NCQG for climate finance for developing countries was thus set, raising the goal from the \$100 billion floor that had prevailed until then. By 2035, \$300 billion for developing countries will have to be mobilized under the leadership of developed countries, as well as \$1.3 trillion in cross-border financing, from all sources.

COP30 in Belém, Brazil, will have to complete this framework by specifying the means for mobilizing these new quantitative targets (the subject of the Baku to Belém Roadmap), as well as by focusing on more qualitative aspects, including the means for implementing one of the macro-objectives of the Paris Agreement, namely the alignment of all financial flows with low-carbon and climate-resilient pathways (Article 2.1.c of the Paris Agreement).

International mobilization: aligning finance with the SDGs/ FiCS

To meet the expectations set out in international agreements, AFD Group is exploiting its mobilization capacity to a maximum, for example by expanding work to create partnerships with and coordinate development banks. AFD continues to hold the presidency and hosts the general secretariat of the Finance in Common Coalition (FiCS). This coalition brings together all 530 public development banks around the world, which represent 10% of investment worldwide. AFD Group's actions seek to harness the full potential of public development banks so that they align their actions with the SDGs and promote inclusive, socially responsible, and climate-friendly finance.

AFD also hosts the permanent secretariat of the International Development Finance Club (IDFC), an international network of 27 major public development banks and financial institutions. The IDFC members share

a common commitment to financing sustainable development and the fight against climate change. AFD Group greatly facilitated and contributed to the production of several IDFC deliverables in 2024.

- IDFC mobilized significant amounts of green and climate financing, reaching \$199 billion in 2023, including \$8.2 billion for biodiversity.
- AFD presented IDFC with a position paper on the New Collective Quantified Goal (NCQG) negotiated at COP29 and the need for high-quality, transformational finance aligned with the objectives of the Paris Agreement. This position paper was adopted not only by IDFC, but also by the United Nations Environment Programme Finance Initiative (UNEP FI), the Principles for Responsible Investment (PRI) coalition and the Mainstreaming Climate in Financial Institutions coalition. IDFC also communicated these messages to multilateral development banks.

Mobilization of French expertise and knowledge

In 2024, AFD Group intensified its already strong links with French stakeholders (companies, Team France, local authorities, and public institutions) in order to promote and mobilize French expertise and its offer internationally, as a boost to socially responsible and sustainable investment.

In 2024, the mobilization of French expertise and know-how was a very significant part of AFD's activity, with 83% of AFD's projects involving at least one French public or private actor¹ companies, consultancies, public institutions, local authorities, etc.). This proportion confirms AFD Group's position as a major vehicle for projecting French expertise abroad and as a tool for supporting French industrial investment in countries where the business environment is often complex. AFD Group's efforts to promote and deploy its French offer internationally through its financing were also confirmed by the increase in the use of French expertise, which rose from 74% in 2023 to 83% in 2024.

Mobilization of expertise from French public institutions

AFD Group currently works along with some thirty French public institutions on the priority themes of the SDGs (climate, biodiversity, health, culture, and education). In addition to the mobilization of their expertise in AFD Group projects,² this cooperation also takes the form of many levers (e.g., joint participation in conferences, sharing of knowledge and best practices, and joint research work). Such heightened coordination promotes and pools French public know-how internationally. It's a partnership that embodies the French model of socially responsible and sustainable investment, which is based on essential values of transparency, equity, inclusive governance, respect for human rights, and sustainability science,

as well as on the promotion of the rights of nature and sustainable and quality investments. These values are enshrined in the respective strategies of these public institutions.

The year 2024 saw an intensification of these already firmly established relationships with French public institutions. Partnership agreements that were signed or renewed included our alliance with the Caisse des Dépôts et Consignations (CDC) as well as our strategic partnerships with the French National Research Institute for Sustainable Development (IRD), the French Agency for Ecological Transition (ADEME), and the French agricultural research and international cooperation organization (CIRAD).



A joint declaration was signed by some thirty public institutions on the occasion of AFD's "Les Hivernales" seminar to reaffirm French public expertise commitment to the public policy of socially responsible and sustainable investment.

© Alexandre Sallé de Chou / AFD

¹ Out of 1,323 projects identified, 1,097 involve a French actor. The Empreinte France 2024 survey identifies the French actors mobilized in the AFD project portfolio. Both direct and indirect French beneficiaries of financing are included. The survey does not take into account the monetary amounts of the operations involved, but it does track the number of financing operations regardless of their volume. Projects financed by AFD and under implementation as of 31 December 2024, are recorded. Operations carried out in French Overseas Territories and those financed by the FFEM and Proparco are not included in the survey.

² AFD provided financing of more than €160 million to 56 projects involving at least one French public institution between 2019 and 2024.

Strengthening local-to-local connections via decentralized cooperation

Action maintained despite budget constraints

AFD continued its efforts to mobilize French local authorities in 2024 by supporting seven decentralized cooperation projects. To this end, €10 million was granted via the French Local Authorities Financing Facility (FICOL). These initiatives promote the expertise of French local authorities while offering them the opportunity to enrich their own public policies on issues and challenges that they share with their foreign local authority partner (e.g. access to drinking water, sanitation, resilient agriculture, and waste management and recovery). The projects were located worldwide, showing the diversity of AFD Group's areas of intervention: Cambodia (department of Hauts-de-Seine), Comoros (Urban Community of Dunkirk), Senegal (department of Isère), Lebanon (Trivalis, department of Vendée), and Palestine (Town of Morlaix and Collectivité Eau du Bassin Rennais).

The year 2024 was also marked by increased support, via several projects, to create a formal framework for external action of French local government bodies. The completion of a study on local authorities in the French Overseas Territories made it possible to better identify their needs. Financial support was also renewed to our long-standing partner Cités Unies France (CUF), to consolidate and enrich its mechanism for initiating international actions by local authorities. This mechanism available to French local authorities can take the form of support for developing international strategies, structuring decentralized cooperation projects, or better mainstreaming climate change issues into these projects.

Guiding Ukraine toward EU integration

In coordination with Team France, AFD contributes (via FICOL) to supporting Ukraine's resilience and its European convergence trajectory, in particular by backing an initial decentralized cooperation project in 2024. The goal of this project, called "Kalyna", co-managed by the

Île-de-France Region and the Ukrainian regions of Chernihiv and Kyiv, is to train civil servants from these regions in the management of EU funding.

International technical experts at Expertise France

In addition to the experts mobilized for projects, Expertise France also manages the system of international technical experts (ITEs). These are individual experts working in government agencies and international organizations. Expertise France is responsible for recruiting, monitoring, and managing ITEs, at the request of the Ministry for Europe and Foreign Affairs and the Ministry of the Economy and Finance.

They work as experts in a wide range of sectors, including health, environment, cultural and creative industries, sports, renewable energies, cultural heritage, and economic and financial governance. In this way, they contribute to the implementation of France's development and international solidarity policy.

The ITEs are present around the world and cover a wide range of fields in which France has comparative advantages, such as the rail, energy, space, nuclear, and agriculture sectors, as well as others where France excels in technological innovation. Thanks to their knowledge of the institutional and economic environment of their host country on the one hand, and their knowledge of the French economic fabric on the other, these experts facilitate business opportunities not only for large corporations but also for French SMEs and start-ups.



© Etienne Gaume / AFD

Interview

Benoît Faucheux,

Senior Agriculture Specialist for the World Bank, at the regional office in Dakar for West and Central African countries.



Benoît, what are the main areas of focus for your assignment?

I'm part of a team that helps States and ministries of agriculture and fishing in the region to design and implement their investment policies and programs. The World Bank is a public development bank that provides consulting services to develop agricultural investment policies and programs as well as financing for those programs via loans or grants, in addition to support for implementation. It involves support to reinforce the capacities of States in the region to be able to implement their investment programs.

Can you tell us about some of the projects you've worked on for this assignment?

I'm currently helping Senegal to implement a \$260 million livestock and crop farming program. It's the largest agricultural investment program that Senegal has ever implemented. The goal is to develop food production to reduce food insecurity. The program is also trying to develop agroecology to support yields without overconsuming Senegal's natural resources. Senegal is facing a quickly rising population (it is expected to double by 2050) and major environmental vulnerabilities, mainly related to climate change.

I'm also involved in preparing several new operations in Senegal, Mauritania, and Guinea-Bissau.

Finally, I've been laying the groundwork for a network of funders for the agroecological transition and nature-based solutions in the region. French and European expertise is very advanced with regard to this innovative and systemic approach. I'm working with the ministries of agriculture for the region, research and development institutions, and farmers' organizations to create solutions that are tailored to the local context and integrate them into the programs.

Tonia Capuano,

International Technical Expert in oceanography, responsible for studying mineral, animal, and plant resources in the Bay of Bengal to find sustainable uses for them, based at the International Centre for Ocean Governance in Dhaka.



Tonia, how would you frame your assignment in Bangladesh, and what is the main goal?

I've been an international technical expert in oceanography since April 2023 with the University of Dhaka's International Centre for Ocean Governance (ICOG). My job is to build the ICOG's technical and academic capacities in oceanography, with a specific focus on blue economy development in Bangladesh.

Why is your work so important for the local area?

Bangladesh has a coastline and an exclusive economic zone that is rich in biodiversity and marine resources, but these resources are still largely underutilized. Given the rising pressures on marine ecosystems, such as overfishing, pollution, and climate change, it is vital to help local institutions in their efforts to develop sustainable governance of these resources. My work addresses this need to create a scientific framework and build capacities on maritime-related issues.

What specific activities have you worked on since your assignment began?

I've held training courses on ocean modeling and data analysis for teachers, researchers, and students from the Department of Oceanography at the University of Dhaka. A regional modeling workshop provided an opportunity to encourage dialogue across the different marine sciences. I also supported capacity-building activities in marine weather forecasting, in conjunction with the Bangladesh Oceanographic Research Institute, to lay the groundwork for an operational forecasting system, which is key to maritime security and blue-economy development.

What other projects are in the works?

Several regional cooperation projects have been planned. First, a Blue Talk will be held with the Cooperation and Cultural Action Department (SCAC) in Dhaka. Experts from Bangladesh and Southern India will participate, including Professor Manell Zakharia, the international technical expert in ocean economy based in Chennai. A team will also go to Sri Lanka to lead a workshop at the Ocean University of Sri Lanka in Colombo and a public seminar at the Embassy of France. These initiatives seek to strengthen regional scientific synergies on maritime governance and lay the cornerstones of sustainable blue growth in the region.

Interview

Samuel Bourdeau,

International Technical Expert in sustainable energy development and adviser to the Secretary of Energy Development of Tamaulipas, Mexico.



Samuel, what can you tell us about your assignment?

I've been assigned to support the Department of Energy in the state of Tamaulipas, with a focus on sustainability. Because the sectoral plan was designed around the SDGs, it's up to me to provide French expertise to guide and support progress in this area.

How does your work meet a need?

The Governor of Tamaulipas sent a letter to Expertise France asking it to send an expert to help move forward with the desire of the state's Department of Energy Development to make energy development more sustainable. This is a key issue given that this state is extremely important for Mexico in terms of energy, with regard to both the oil and gas sector and renewable resources.

Can you give us an example of something you're working on with the Tamaulipas Department of Energy?

One specific project I'm involved in is developing natural gas storage in Mexico, something the country does not currently have. This type of storage can be developed with the support of French companies. I'm now trying to bring together French firms and educational institutions to move ahead with the Department's plans as quickly as possible. This project will improve Mexico's energy security by building up enough natural gas reserves to supply the entire country for four days without interruption.



Citizen mobilization

AFD Group and CSOs

AFD Group increased its funding to French and local civil society organizations (CSOs) in 2024. In total, all of AFD Group's mechanisms open to CSOs committed nearly €520 million in funding in 2024 (compared to €444 million in 2023), through 423 approvals for 300 CSOs, including 44% for local CSOs.

Some of the CSO funding came through AFD's CSO Initiatives facility, which co-financed 133 projects via 97 French CSOs and 18 local CSOs for an overall amount of €154 million (compared to €163 million in 2023).

In 2024, for the third year running, AFD opened its call for expressions of intent to projects led directly by locally registered CSOs.

Youth increasingly active in civil society and local authority projects

In 2024, the global population of young people was 1.2 billion, and the UN forecasts that this figure will increase by 7% to nearly 1.3 billion by 2030. But in most of the countries where AFD operates, young people aged 15 to 24 already make up more than half of the overall population.

Since 2015, the projects funded by the CSO Initiatives facility and managed by AFD have seen a marked increase in the share of projects that have mainstreamed youth-related issues. This share increased from €24 million in funding at the time of launch of the facility to €119 million in 2024. This result is the fruit of the mutual desire and efforts of AFD and its civil society partners, as reflected in projects that involve youth as much in the actions as in the processes that guide them. Today, all our CSO partners take into consideration the youth dimension in sectors such as water, health, infrastructure, and agriculture as well as in governance and human rights.

As we do for gender, we now pay special attention – not only during project appraisal but also systematically in project evaluation – to the efforts made by CSOs to include young people as agents of change and as a driving force behind the SDGs. The idea is that CSOs should no longer be confined to the position of simple beneficiary.

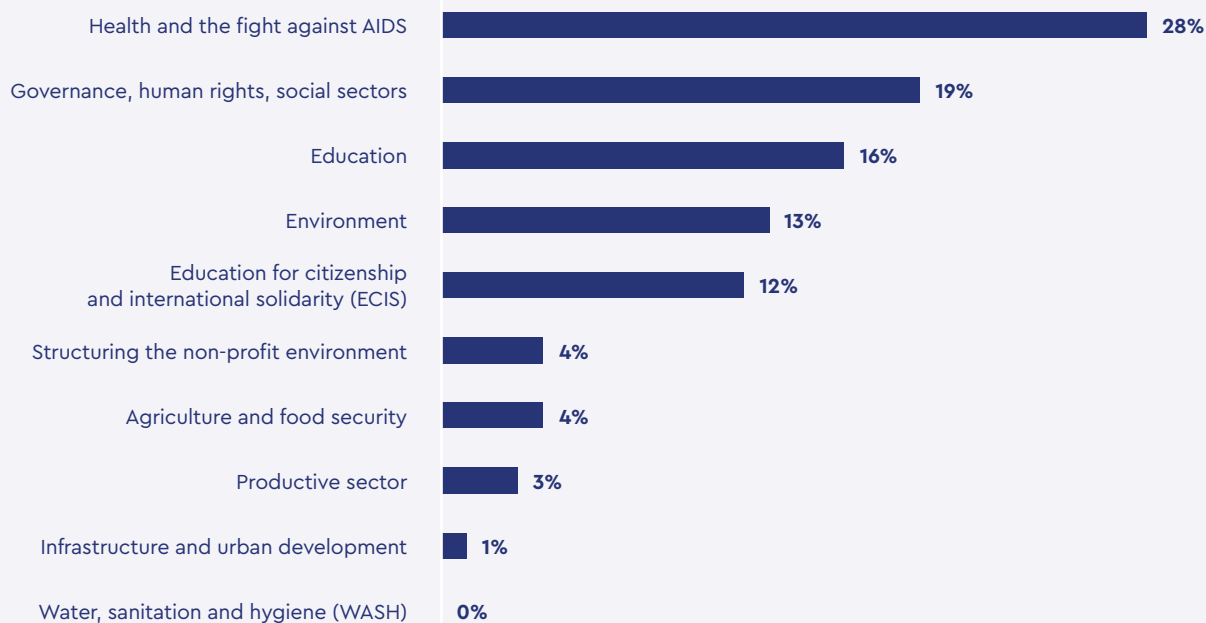
In 2022, AFD also undertook to ensure youth play an active role in at least 50% of its projects. In this way, we aim for “full integration” of young people for (i) employment, (ii) civic and social integration, and (iii) their level of awareness of and capacity for environmental and climate action – a threefold goal essential

for achieving the SDGs. We've also made a commitment to share the lessons learned from this mobilization of young people and to disseminate them to all projects.

AFD's activity in 2024 continued along these lines. For example, of the 133 projects it financed in 2024, 100 projects (i.e., a 75% share compared to 72% in 2023) targeted, in whole or in part, “young” people, half of whom are mobilized as full-fledged actors of the projects. This concerns 81 field projects (mainly in human rights, monitoring of education, vocational training and job insertion for young people, as well as agriculture) and 19 projects related to education in citizenship and international solidarity and organizational support for the NGO sector. Within these projects that enhance and encourage initiatives by young people, CSOs pay special attention to analyzing the role of young people in society and in the community as well as their ability to speak out on issues, make autonomous choices, organize themselves, and make decisions. This growing trend illustrates the increased recognition of the role of young people as major players in sustainable development in projects.

Given the very high level of importance that public health represents for many countries with very young populations, especially in Southern Africa, the sector receiving the strongest level of focus on youth in 2024 was “health and the fight against AIDS”. This can be explained by the fact that young people are targeted in awareness and prevention activities on sexually transmitted infections and HIV/AIDS, education on sexual rights and health, as well as involvement by young people in international advocacy activities on health issues.

BREAKDOWN OF CSO-I GRANTS TARGETING YOUNG PEOPLE IN 2024, BY SECTOR



Meanwhile, the focus on young people in the “education” sector corresponds to our resolute principle of making young people actors and a driving force, in particular through:

- training (vocational, cultural, digital, agricultural, etc.),
- education through sports (access to empowering sports practices),
- civic education, intercultural awareness,
- inclusive education,
- their involvement in ecological, economic, and social issues.

There has also been a marked improvement in the focus on youth in environment-related projects (13% in 2024 compared to 3% in 2023). This is due to the increasing involvement of young people in en-

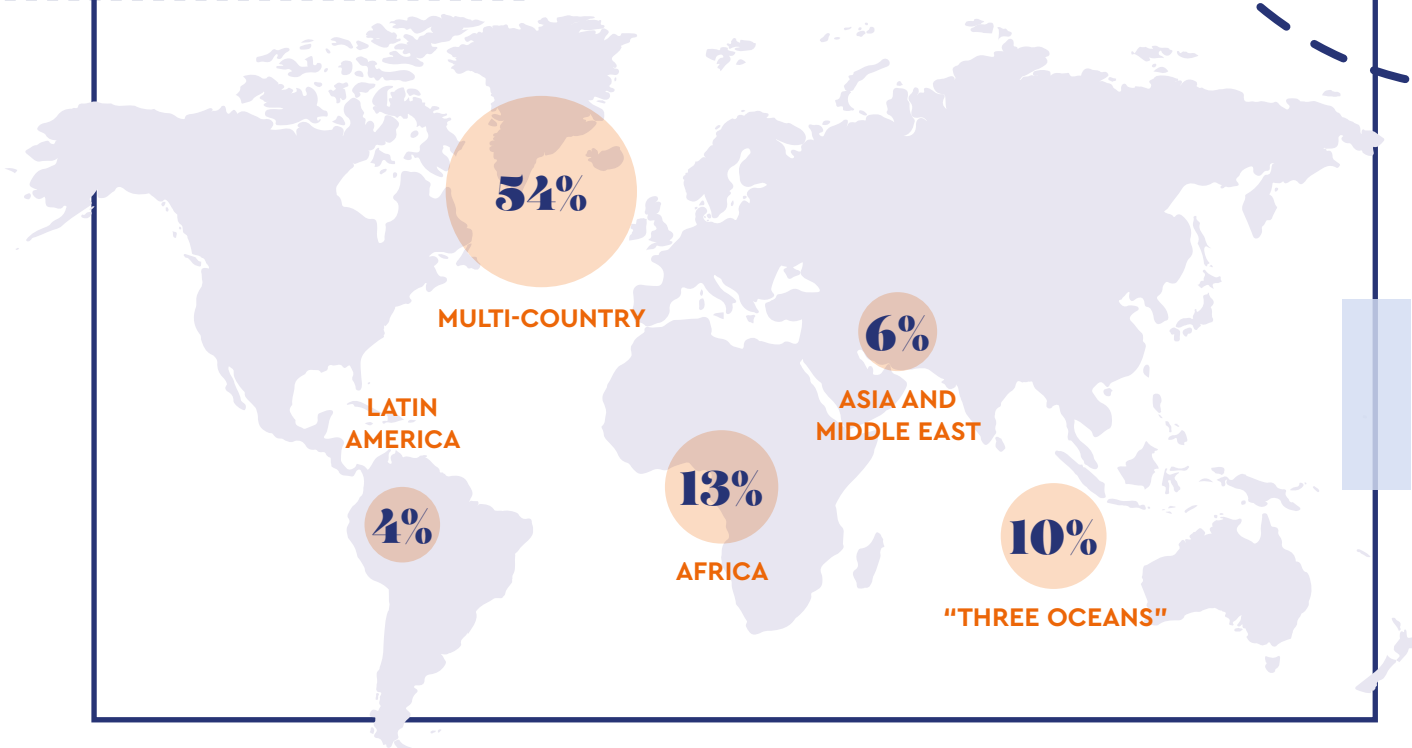
vironmental protection issues and the fight against climate change. Indeed, a study published in the scientific journal *The Lancet Planetary Health* in 2021 found that 45% of young people surveyed (10,000

young people aged 15 to 25) in 10 countries report that eco-anxiety affects their daily lives (a figure that rises to 59% in the poorest countries).



Geographical distribution of 2024 CSO-I grants for youth-sensitive projects

12%
GENERAL INTEREST



Volunteer service at AFD Group

Young people are also active in NGO projects via volunteer service, with a total of more than 1,541 months for the volunteers, representing between 100 and 129 volunteers working in international solidarity or performing civic service. Most volunteer assignments (93%) are carried out on field projects (compared to 7% on projects of general interest).

In addition, through its network of agencies, AFD has mobilized 120 young people for the "International

al Volunteering in Administration (VIA)" civic-service program and in 2025 will host its first reciprocal international solidarity volunteers (from our partner countries) at our head office in 2025.

Cooperation with actors of La Francophonie

The year 2024 saw the holding of the 19th Francophonie Summit as well as intensification of AFD's cooperation with the Organisation Internationale de la Francophonie (OIF) and all Francophone stakeholders. Partnership agreements with AFD Group

were signed during the summit with the Agence Universitaire de la Francophonie (AUF) and Senghor University in Egypt. These partnerships will help AFD Group enrich joint actions in several areas, including education, vocational training, employability, entrepreneurship, scientific research, and the social responsibility of universities. Youth is the focus of these partnerships. One of the main French contributions to the summit was the announcement of the creation of the Francophone Feminist Alliance. AFD has partnered with a consortium of feminist CSOs led by Equipop to ensure its management

and implementation. Meanwhile, AFD Group has also continued its support for the activities of TV5 Monde, and also of the Assemblée Parlementaire de la Francophonie (APF), in particular via participation in the holding of an exceptional parliamentary symposium on the theme of citizen mobilization.

Spotlight on sports in 2024

Sport unites us. It is a vehicle of social cohesion and contributes to achieving the SDGs in health, education, gender equality, and inclusion. This is why AFD Group has made sports an accelerator of socially responsible and sustainable investments. Since the adoption of its "Sport and Development" strategy in 2019, AFD Group has created the following:

- an unprecedented level of investment and impact, with total financing of nearly €200 million for 200 projects in more than 50 countries, impacting nearly 10 million young people;
- a forum for dialogue that encourages States to incorporate sport into their public policies;
- occasions for mobilization and partnerships that create collaborative projects with internationally renowned sports organizations (International Olympic Committee, Paris 2024, Dakar 2026, International Federation of Association Football – FIFA, National Basketball Association – NBA, Basketball Africa League – BAL), sports federations, and associations and athletes committed to development.

AFD Group aims to scale up its sports action with a "sports for all"

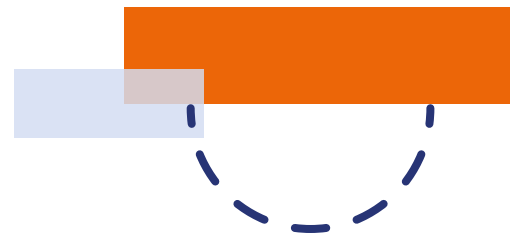
approach by financing and supporting public policies, sports entrepreneurs, civil society, and actors of the sports movement in key areas such as local sports infrastructure and capacity building for sports stakeholders.

On the occasion of the Paris 2024 Olympic and Paralympic Games, AFD reaffirmed its conviction that sports are a powerful accelerator of socially responsible and sustainable investments that work toward social cohesion, empowerment of young people, and the achievement of the SDGs.

AFD Group was also a key player in the first Sport for Sustainable Development Summit (S4SD), held on the eve of the opening ceremony of the 2024 Olympic Games. We helped bring together more than 60 heads of State and government, international and sports organizations, public banks, and civil society actors, and we encouraged them to support the Paris Agreement for Sport and Sustainable Development, whose five priorities are education, health, equality, financing, and sustainability. On this occasion, AFD Group announced an unprecedented financial commitment of €500 million to promote sports up through 2030.

As part of this process, AFD stepped up its support in 2024 for public policies, civil society initiatives, and the creation of local sports infrastructure to make sport accessible to all. Nearly €35 million was committed in 2024. In Tunisia, a project with the Ministries of Education and Sports and the Tunisian National Olympic Committee illustrates this ambition. By setting up Olympic clubs and renovating sports infrastructure in 100 Tunisian schools, this project seeks to give a boost to sports in schools

and improve learning through sports. In this way, AFD continues to pursue its firm goal of making sports a driver for sustainable development and social cohesion, thereby promoting the legacy of the Paris 2024 Games.





Working as a Group

In 2021, the French Parliament passed the Programming Act on Inclusive Development and Combating Global Inequalities, which made AFD Group a comprehensive and essentially unique player in the international development finance ecosystem, as a group with three entities.

Agence Française de Développement is the public financial institution in charge of implementing France's development policy. Proparco is its subsidiary dedicated to the private sector. On 1 January 2022, Expertise France, the French agency for international technical cooperation, also became a subsidiary.

The success of AFD Group's strategic commitments depends on the full deployment of our collective capacity, combined with that of AFD Group Campus, Société Immobilière de Nouvelle-Calédonie (SIC), SOCREDO bank, the guarantee fund SOGEFOM, and STOA (the impact fund co-created with Caisse des Dépôts et Consignations (CDC)).

© Gilles Sabrié / AFD

Morgane Salomé,

Strategy & Partnerships Officer, seconded from AFD to Germany's KfW development bank



What is your background at AFD?

I joined AFD in July 2022 as a country risk economist with the Economic Diagnostics and Public Policy Department. Previously, I worked for seven years at the French Treasury as an economist specialized in emerging markets and developing countries, including four years in the international network in Brazil and then Singapore (in charge of Southeast Asia). In September 2024, I was seconded by AFD to KfW in Frankfurt, in its Strategy, Institutional Relations and Partnerships Division.

What is your role at KfW?

My main job is to manage and implement the partnership agreement between AFD and KfW. This entails planning sectoral and regional dialogues, preparing high-level meetings, and identifying projects to co-finance. I fulfill these duties with my counterpart at AFD, Markus Rühling (seconded from KfW). I'm also occasionally asked to be involved in internal strategic discussions at KfW by providing AFD's perspective (as a peer institution). In addition to the bilateral relationship, my role is also to support the development of the Joint European Financiers for International Cooperation (JEFIC) network of European bilateral development banks (which includes KfW and AFD as well as Spain's AECID, Italy's CDP, and Poland's BGK), not only in terms of strategy (joint position vis-à-vis the European Commission) but also operations (co-financing).

What is your take on the AFD-KfW partner relationship?

The ties between AFD and KfW are already very strong, which is reflected in many other co-funded projects, whether through the Mutual Reliance Initiative (MRI) (which also includes the EIB) or the JEFIC co-financing framework agreement (which also includes AECID and CDP). Over the past 10 years, more than 50 projects have been co-financed by AFD and KfW, with total funding amounting to nearly €7 billion. But there is still room to do more. Strengthening the AFD-KfW partnership as well as strategic partnerships in general, and especially European ones (which aside from the JEFIC include the EU and the EIB), seems to be more necessary than ever given the current trend in Europe of cuts to development budgets.

Julia Brouillard,

Economist in AFD's Africa Division, seconded from the European Bank for Reconstruction and Development (EBRD)



What is your role at the EBRD?

I have been an economist at the EBRD in London since 2018, and was seconded to AFD's Africa Division in February 2024.

What is your take on the AFD-EBRD partner relationship?

While my office location may not feel so exotic to me, this secondment does come with some less familiar aspects. Most of the EBRD's activities are focused on the private sector, in what we call "transition economies", whereas AFD's Africa Division deals mainly with State actors and public institutions. Between the knowledge and institutional culture shock, this experience has shown me different ways of working in the development world. I've been able to work on the African macroeconomic situation as well as economic outlook papers for countries such as Kenya, Rwanda, and Gabon. And most of all, since EBRD is now expanding its activities in sub-Saharan Africa, this has given me insights on how things are done in Africa, where the Africa Division's expertise is undeniable.

Focus on our subsidiaries

SOGEFOM

The SOGEFOM guarantee fund for the French Overseas Territories provides partial guarantees for financing operations undertaken by credit institutions operating in France's Pacific communities (French Polynesia, New Caledonia, and Wallis and Futuna). In particular, it supports

small and very small enterprises (SMEs and VSEs) in various economic sectors.

SOGEFOM is a 60% subsidiary of AFD (which manages it under a regulated agreement). Nine partner credit institutions make up the remaining shareholders.

The sustained level of activity observed over several years (€48 mil-

lion in guarantees granted in 2022 and €44 million in 2023) soared in 2024, with record production of €84 million (+93% compared to 2023), reaching 1,208 guarantees granted (+85% compared to 2023). This almost doubling of volumes is mainly due to the strong appetite of New Caledonian banks for the "Reconstruction" guarantee scheme set up in the territory following the unrest of May 2024 to facilitate financing

for economic support and recovery via an exceptional allocation from the French government of €40 million.

In 2024, production in New Caledonia rose to €59 million (+378% compared to 2023), more than double that of French Polynesia, at €25 million (-19% compared to 2023).

The consolidated gross amount of guarantees at 31 December 2024, stood at €190 million, up 40% compared to the end of 2023. This amount is broken down as follows: 50.37% in French Polynesia (2,158 guarantees), 49.60% in New Caledonia (1,419 guarantees) and 0.03% in Wallis and Futuna (1 guarantee).

In terms of impact, the guarantees granted by SOGEFOM in 2024 helped create 370 jobs and maintain more than 4,100 jobs. SOGEFOM provided guarantees for €104 million in bank loans, and 83% of the guarantee grants went to microenterprises.

SOCREDO

SOCREDO, a joint public and private limited company, is owned 50% by French Polynesia, 35% by AFD, and 15% by the bank BRED. It has been a registered bank since 1984 and is a major player in the financing of the French Polynesian economy. It operates in all economic sectors and more particularly several key sectors such as housing, sea-related industries, and tourism.

SOCREDO is the leading banking institution in the Papeete financial market, with a share at the end of 2024 of 43.2% of loans and 39.8% of deposits. It differs from its two competitors on the market (Banque de Polynésie and Banque de Tahiti, subsidiaries of Société Générale and Groupe BPCE, res-

pectively) by its presence throughout French Polynesia and by its unique positioning in socially responsible banking and green finance.

SOCREDO has also made sustainable development a core aspect of its new 2024-2028 strategy, which makes the concept of “development bank” part of its DNA. The four main orientations in this strategy show SOCREDO’s desire to continue its current efforts and to strengthen its actions:

1. Invest more intensively in sectors with climate and biodiversity co-benefits, and improve the bank’s skills in climate finance.
2. Expand the bank’s regional outreach by developing partnerships with other Pacific territories.
3. Provide a specific, inclusive and dedicated response to clients on remote islands by effectively extending the reach of the AFD Group offer there.
4. Continue to support priority economic sectors according to the needs and priorities of the new government in New Caledonia.

In addition to its banking activity, SOCREDO has three main subsidiaries: OSB (electronic banking, checks, and desktop publishing), OFINA (payment flow acquisition and issuance of American Express cards for the French Pacific), and OCA (call centers). It also owns OCI (equity management and venture capital) as well as the OFIMMO (private social housing).

At the end of 2024, SOCREDO had a workforce of 517 people and posted a balance sheet total of €3.5 billion, slightly higher than in 2023 (€3.4

billion), consisting mainly of client loans (€2.6 billion) and client deposit liabilities (€2.5 billion). In 2024, the bank generated net banking income of €94 million and a net profit of €13.6 million, and all its regulatory ratios are satisfactory.

In 2024, the SOCREDO teams focused on the bank’s commercial dynamics, the quality of service (creation of a customer relations center), production of its first carbon footprint report (with the scope covering the bank and its financing), and the continuation of compliance work.

As a main shareholder, AFD is actively involved in the governance of SOCREDO, as it provides 3 out of 10 of its board members. AFD also plays a key role in SOCREDO’s debt refinancing: 2024 saw the second disbursement of the €125-million long-term credit line signed at the end of 2023, which includes a climate co-benefit of 40%.

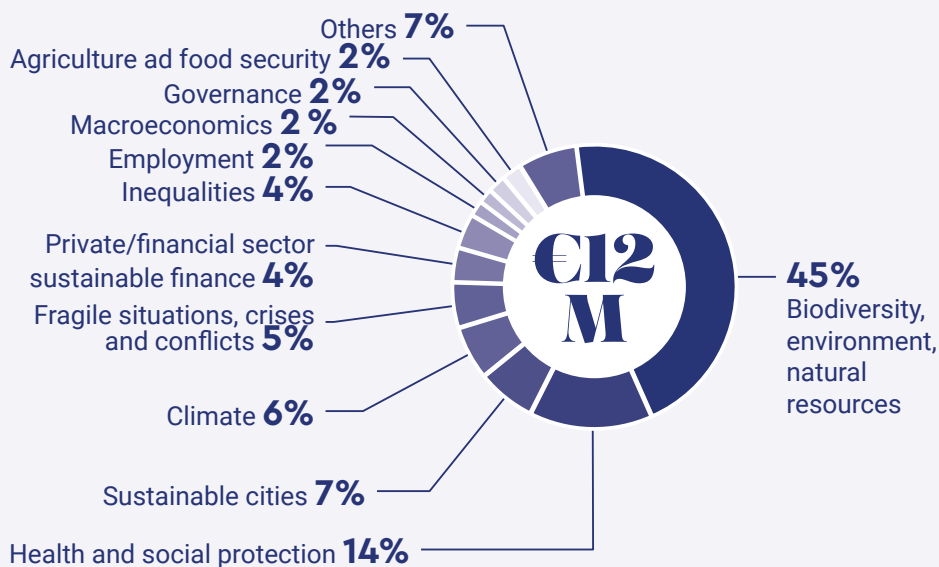
What does research at AFD involve?

Research for and by the Global South, to facilitate dialogue on public policies



BREAKDOWN BY TOPIC

(in % of the amount)



The 33 studies conducted solely by AFD research teams focused mainly on **macroeconomic analyses** (55%), **the SDGs and development policies** (18%), and **education** (12%).

Flagship publications and events for 2024



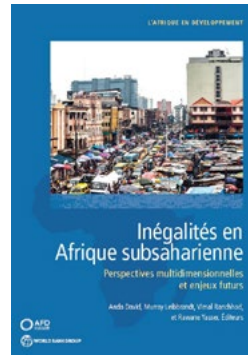
The 2024 issue of *L'économie africaine* discusses the key points to understanding the challenges Africa faced in 2024: macroeconomic outlooks for the continent; a review of ecosystems, migration and climate change; mining of critical minerals; funding for climate initiatives; and the socioeconomic issues involving football.

[Download from afd.fr](https://afd.fr) (available in French only)



The “Tackling climate challenges through financial regulation” policy brief provides recommendations to continue efforts to incorporate sustainability issues into financial regulation policies (e.g., the inclusion of climate risks in stability mandates, or financial inclusion, which bolsters resilience).

[Available in English and French on afd.fr](https://afd.fr)



Written with the African Centre of Excellence for Inequality Research (ACEIR) and co-published by the World Bank, this publication highlights many inequality-related challenges (income gaps, unequal access to education and healthcare, rising climate vulnerability, need for inclusive growth, etc.). It offers outside-the-box thinking on issues ranging from competition reform to new negotiation frameworks designed to rebalance the power dynamics between labor and capital.

[Available in English and French on afd.fr](https://afd.fr)

A summary of this publication is also available in Swahili and Xhosa.



The AFD's 16th International Development Research Conference showed how research results can be translated into concrete action to support public policies, especially in and with countries of the Global South.

Researchers, policymakers, and development practitioners discussed the inclusion of sociodemographic dynamics in ecological transitions, the idea of alignment as it applies to sustainable finance, public services that go beyond the State level, and the risks and opportunities in pro-nature transitions.

[Find out more on afd.fr](https://afd.fr)

Proparco business results and key figures

1. A year of strong commitments to support development

In 2024, Proparco continued to implement its “Acting together for greater impact” strategy with a commitment volume of €2.8 billion for 200 authorizations. This performance shows that private-sector action to address development challenges has become more established. At the end of 2024, 736 projects were under execution in Proparco’s portfolio, for a total outstanding amount of €8.2 billion.

2. Concrete projects for the climate, inclusion, and employment

Climate: One third of projects whose financing was authorized in 2024 had a positive impact on the climate. Proparco has shown its capacity to structure large-scale financing for the energy transition, especially in Africa, which remains the leading intervention region, with a total of €1.28 million in agreements signed.

Economic and social inclusion of women: The goal of one fourth of the projects was to improve women’s living conditions via access to essential services, employment, and entrepreneurship.

Sustainable economic growth (SDG 8): Nearly all of the projects taken up by Proparco have contributed to the goal of inclusive and sustainable growth, through support to local businesses, infrastructure financing, and the entrepreneurial ecosystem.

3. Proparco, a European player committed to working alongside French companies

In 2024, part of the European Fund for Sustainable Development Plus program negotiations concluded, and European synergies within the framework of EDFI networks were enhanced. Proparco also hosted the EDFI general meetings in Paris in May 2024. Meanwhile, Proparco’s many partnerships with French companies and organizations, such as CIRAD, have heightened the impact of projects benefiting from French expertise.



© Srishti Bhardwaj – Ofred Studios / Proparco

Key figures



483
EMPLOYEES



200
NEW PROJECT
AGREEMENTS



736
PROJECTS UNDER
IMPLEMENTATION

VOLUME OF PROJECT AGREEMENTS SIGNED

In billion euros



FINANCING AUTHORIZATIONS

In billion euros

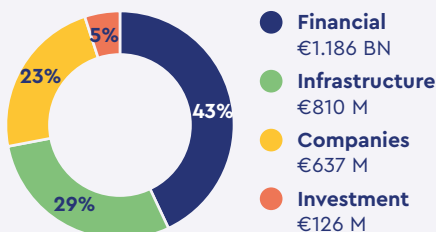


DISBURSEMENT VOLUME

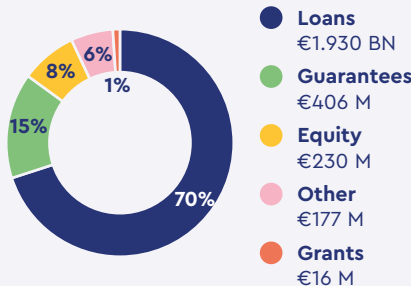
In billion euros



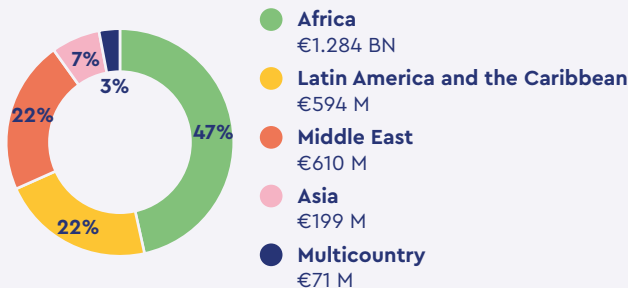
BREAKDOWN OF PROJECT AGREEMENTS SIGNED IN 2024 BY TYPE OF ACTIVITY



BREAKDOWN OF PROJECT AGREEMENTS SIGNED IN 2024 BY FINANCING TOOL



BREAKDOWN OF PROJECT AGREEMENTS SIGNED IN 2024 BY REGION



Expertise France

business results

and key figures

In 2024, Expertise France's business continued trending upward, with turnover of €447 million, up 15% compared to the previous year. Africa remains the main region of Expertise France operations, concentrating 60% of the amounts signed. However, it continued to open up to new regions, especially in Asia and Eastern Europe. The total volume of agreements signed was €795 million, reflecting Expertise France's enhanced

capacity to mobilize large-scale financing. This performance relied on the contribution of EU financing in particular (56% of the total), but also on the increase in financing from French ministries (26%) and AFD (17%, or €135 million).

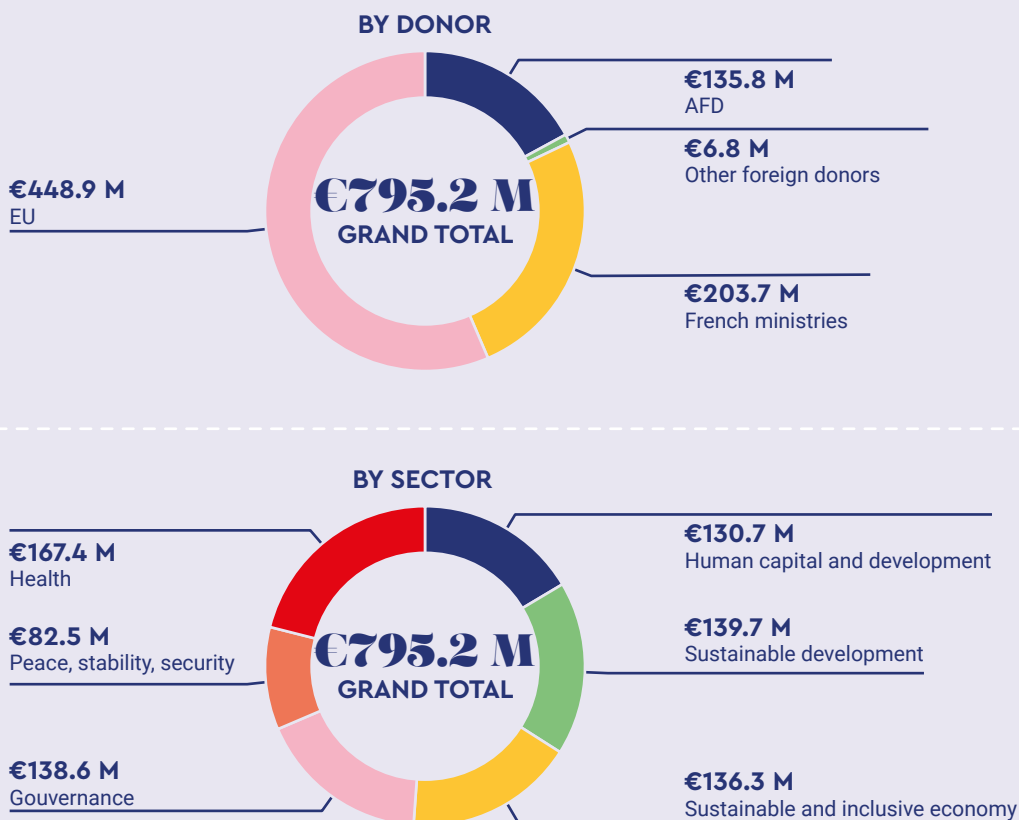
At the sector level, the breakdown of agreements signed is balanced among six strategic areas of action: health (21%); sustainable development (18%); sustainable and inclusive economy (17%); governance (17%); human capital and social development (16%); and peace, stability, and security (10%). France mandates Expertise France with

programs such as L'Initiative and the international technical experts (ITE) system: in 2024, L'Initiative supported 26 global health projects and there was an increase in the number of ITEs deployed internationally.

Expertise France currently has a total of around 1,500 employees, including 879 at headquarters and more than 600 in the field. With 384 projects under way in 147 countries, it has consolidated its position as a top public operator of French and European technical cooperation.

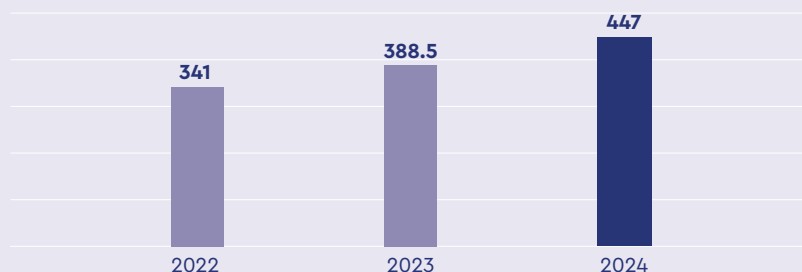
Breakdown of Expertise France agreements signed

Expertise France turnover: total and breakdowns by donor and sector



Expertise turnover trends

In million euros



Expertise France in 2024



879
EMPLOYEES AT
HEADQUARTERS

AND 619
IN THE FIELD (local contracts
excluded)



€795 M
IN VALUE OF AGREEMENTS
SIGNED IN 2024



MORE THAN 300
INTERNATIONAL
TECHNICAL EXPERTS (ITEs)



€447 M
IN TURNOVER



384
PROJECTS UNDER WAY



OPERATING IN 147
COUNTRIES AND
TERRITORIES



© Gilles Sabrié / AFD

The fight against fraud and corruption, a key aspect of AFD Group's accountability

Dedicated staff since 2018

Official development assistance is scrutinized with an increasing demand for efficiency and transparency. In this respect, AFD is especially attentive to making sure its financing is allocated properly, and it makes every effort to ensure that its funds serve their intended purposes. The Investigations section, housed within the Legal Monitoring, Compliance & Investigations Division of the Compliance Department (DCO/VIJ), plays a key role in preventing, detecting, and remedying any misuse of AFD Group financing. It was created in 2018 to investigate reports of fraud, corruption, and other prohibited practices. It deals with around 100 cases annually, reported by AFD Group employees and by third parties.

A Group approach in survey principles and methods

AFD's Investigations section also handles reports of prohibited practices for Proparco and SOGEFOM. It can also provide support to Expertise France or the Société Immobilière de Nouvelle-Calédonie (SIC) in conducting their own investigations. By harmonizing policies and methods, this approach helps improve the effectiveness of Group-wide actions to fight corruption.

International cooperation for improved efficiency

In addition to its investigative role, the Investigations section participates on behalf of AFD in working groups and conferences of donors and international bodies (OECD, World Bank, G20, etc.) dedicated to the fight against fraud and corruption. In November 2024, the Investigations section organized the InvestigAid conference in partnership with the European Anti-Fraud Office (OLAF). This annual event brings together the audit and investigation services of donors and cooperation ministries of EU Member States. The 2024 conference was an occasion to discuss the impact of artificial intelligence on the fight against fraud and corruption and highlighted both the opportunities offered by new technologies and the increased risks of cybercrime.

InvestigAid conference,
24-25 November 2024,
in Paris.

© Eric Thauvin






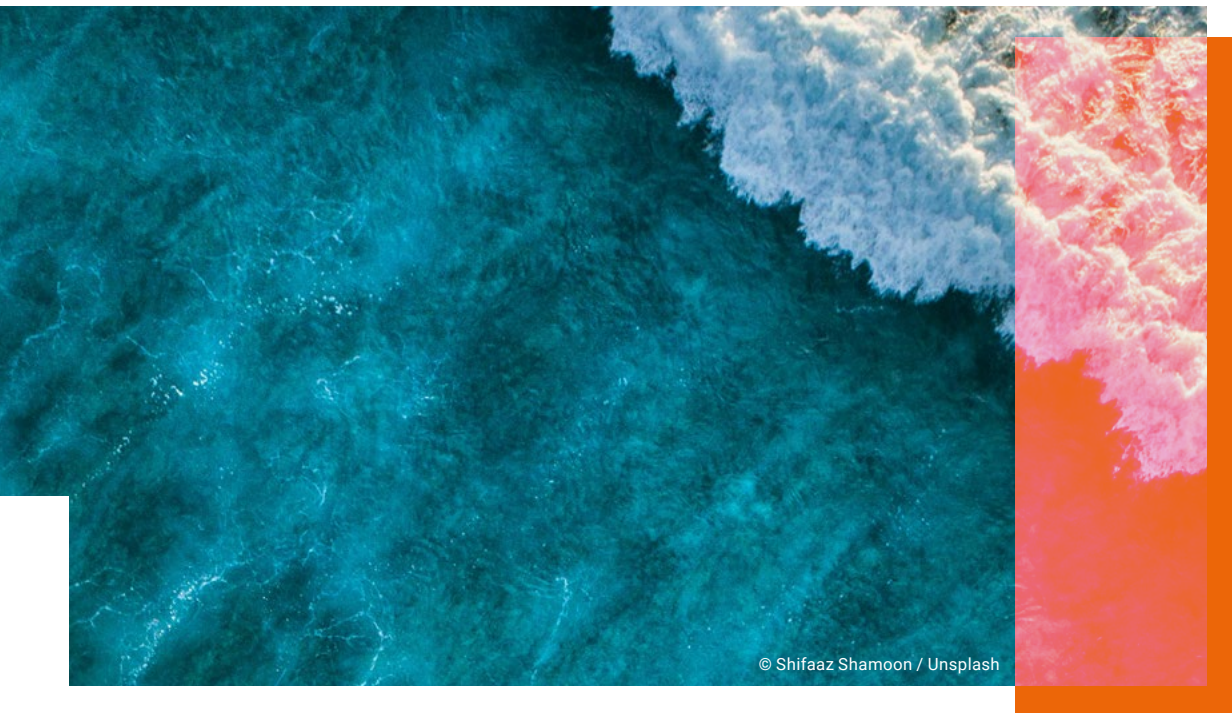


02

OUR SOCIAL RESPONSIBILITY COMMITMENTS



For more than 20 years, AFD Group has been using a corporate social responsibility (CSR) approach to structure and improve its practices. This approach also enables us to meet the social, environmental, ethical, human rights, anti-corruption, and transparency requirements incumbent upon us.



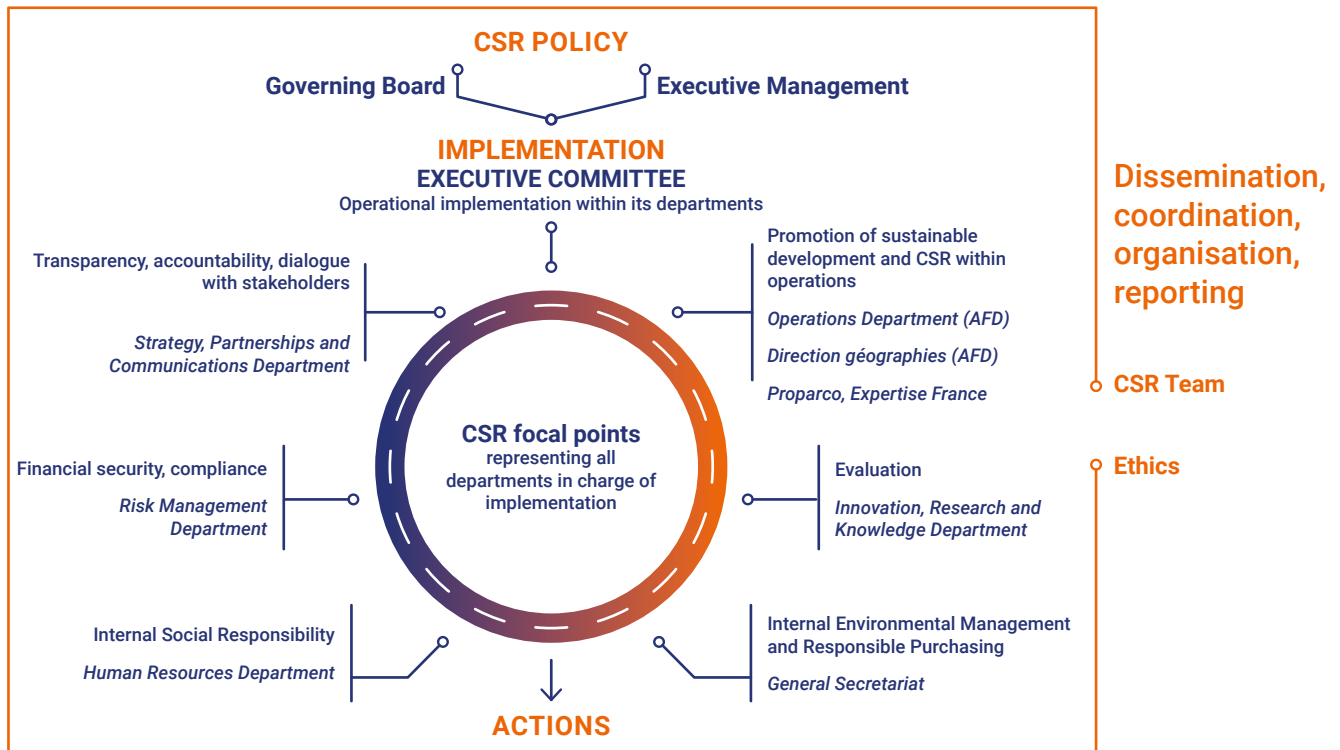
© Shifaaz Shamoon / Unsplash

Frame of reference of AFD Group's CSR approach

As a member of the United Nations Global Compact since 2004, AFD Group has chosen the following major declarations, agreements, and standards relating to equitable and responsible development as its frame of reference:

- the United Nations Universal Declaration of Human Rights;
- the International Labour Organization's Fundamental Conventions;
- the World Bank Group's standards, as well as the performance standards in environmental and social sustainability of the International Finance Corporation (IFC) for Proparco;
- the three Rio Conventions on climate change, desertification, and biodiversity loss;
- the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises;
- the OECD and United Nations Conventions against corruption and the international anti-money-laundering rules;
- the regulations on the publication of non-financial information;
- the Charter for the Environment attached to the French Constitution;
- the Paris Declaration, Accra Agenda for Action, and Busan Partnership for Effective Development Co-operation;
- the United Nations 2030 Agenda for Sustainable Development and its 17 SDGs;
- the Paris Agreement on climate;
- the Global Reporting Initiative (GRI) standards¹ on CSR reporting;
- the Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines for issuing responsible bonds;
- the Operating Principles for Impact Management (OPIM), signed by Proparco and, in 2024, by AFD.

¹ The GRI 2025 content index is available on the AFD website.



CSR management involving all of AFD Group

AFD Group's corporate social responsibility approach is led by a team attached to the department in charge of strategy, within the Innovation, Strategy, and Research Division. This division is supported by a network of focal points working within AFD Group's various units in charge of implementing our CSR policy priorities. These focal points include one representative each from various teams at AFD (environmental and social support, strategy, risks, compliance, human resources, evaluation teams, as well as the general secretariat, financial executive management, and general management teams) and one representative each from Expertise France and Proparco. This network of CSR focal points is involved in the management of the CSR approach

(in particular the development and implementation of the action plan), ensuring accountability, and promoting communication and awareness-raising actions aimed at employees.

In addition, at AFD and within Proparco and Expertise France, teams of experts provide crosscutting support for mainstreaming sustainable development into operations, including issues such as climate, gender, control of environmental and social risks, intervention in countries in crisis and conflict, and capacity building for partners. A harmonized sustainable-development rating system for our actions is deployed throughout AFD Group.

Recognized achievements

AFD Group's CSR approach is subject to non-financial ratings that not

only guide investors' decisions, but also serve as a valuable tool to drive internal progress. In 2023, the credit rating agency Moody's gave AFD Group a score of 74/100 (compared to 73/100 in 2021), thereby positioning us in first place in the "Specific Purpose Banks & Agencies" category and in the top 10 among 4,667 businesses assessed worldwide. In its latest ratings review in February 2023, MSCI awarded an AAA rating to AFD. Finally, the independent external evaluation conducted by the think tank E3G described AFD Group as the leader in climate finance among national and bilateral public development banks and as "transformational" in terms of its institutional leadership and its fossil fuel phase-out.¹

¹ E3G Public Bank Climate Tracker Matrix – Bilateral & National, E3G <https://www.e3g.org/bdb-matrix/>



© Diane Matabiau / AFD

Priority 1

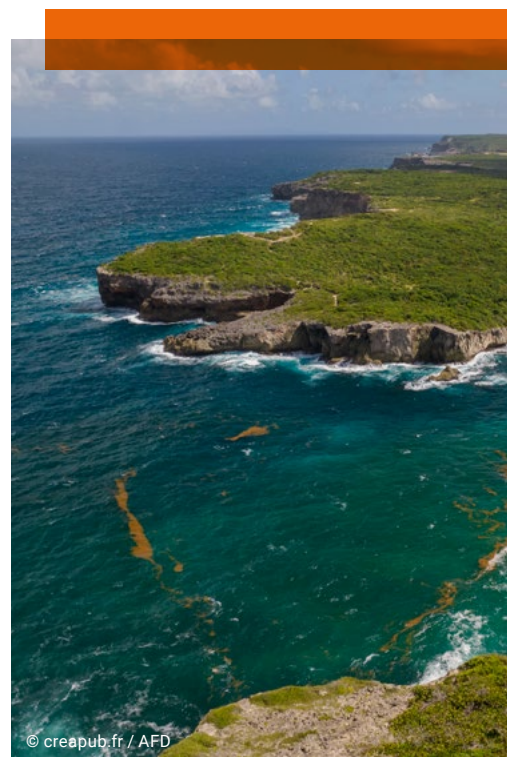
Adopting and intensifying sustainable development in our operations

In 2024, AFD Group pursued its activities to bolster dialogue, capitalization, monitoring, and external cooperation on the sustainable development challenges.

Managing the environmental and social (E&S) risks of the projects we finance

AFD Group integrates social responsibility into its governance system and activities. To this end, we take steps to assess and manage the E&S risks of the operations we finance. We follow procedures to identify, prevent, and mitigate E&S damage, including any human rights abuses that may arise from our activities. This approach of limiting E&S risks is applied at every stage of the project cycle, from project identification and approval of financing, up through monitoring and ex post assessment.

AFD Group also has an exclusion list that indicates activities AFD Group will not finance, specifically as they pertain to climate, biodiversity conservation, and protection of human rights. This approach is supplemented by two different mechanisms, one used by AFD and one by Proparco, to manage E&S complaints.



© creapub.fr / AFD



© Dianthus Saputra

Evaluating and capitalizing on good and bad practices – a few examples

In 2024, AFD carried out its first overall evaluation of its contribution to the SDGs in a country where it operates: in this case in Indonesia, between 2015 and 2022. While AFD provides Indonesia with a smaller financial volume than do multilateral institutions, AFD plays a key role there because it supports strategic actions aligned

with the country's priorities in the environment and energy sectors. Indeed, AFD's contribution to the country's development trajectory is qualitative and targeted. It is based on establishing public-policy dialogue on key reforms (taxation and climate finance in particular) and is gradually including the SDGs into its policies.

The evaluation, which highlights the relevance and positive impact of the projects financed, recommended continuing the actions undertaken, strengthening the SDG approach, and providing more support to the private sector. It also called for better mobilization of all financing tools and for improving synergies between the AFD Group entities.

Separately, two independent evaluations connected to our Sustainable Development Analysis and Opinion mechanism were launched in 2024. The first, which deals with the mechanism itself, will draw lessons from its experiences and results in the 10 years since its creation. The second focuses on sustainability analyses at project completion; by analyzing a cluster of completed projects, it is gathering knowledge on the conditions needed for successful financing to achieve sustainable development impacts.

Priority 2

Financial exemplarity
and ethics

Preventing and combating prohibited practices

Corruption, fraud, and any form of misappropriation of public and private aid can permanently undermine AFD Group's mission. We thus continued our efforts in 2024 to strengthen our processes to prevent and combat prohibited practices. For example, the revised edition of AFD's procurement guidelines for awarding projects in foreign countries came into force, thereby expanding ineligibility for AFD financing to applicants that have been excluded from procurement by multilateral development banks for misconduct involving fraud or corruption.

AFD Group also strengthened certain pillars of its program to prevent and combat corruption to comply with France's "Sapin II" anti-corruption law of December 2016. For example, our in-house whistleblowing system available to internal, external, and occasional AFD Group employees was modified in 2024 to incorporate the new requirements resulting from a French law passed in 2022 to protect whistleblowers. We also opted to centralize due diligence checks on our suppliers and service providers by the Purchasing Department. Another example is a procedure for assessing risks of corruption in patronage and sponsorship of AFD Group actions, adopted in 2024. Another notable development is the deployment in 2024 of an anti-corruption questionnaire to collect information on the anti-corruption processes of counterparties evaluated.

Expertise France has also implemented a system to prevent and combat prohibited practices. It is based on a code of conduct that defines and offers examples of prohibited situations and actions as well as the behavior to be adopted when conducting activities. It also includes mandatory training on the code of conduct and a procedure for reporting and dealing with illicit practices. A new procedure for managing conflicts of interest came into force early 2024.

For resolutely responsible finance

In the area of sustainable bonds, AFD Group was the first French public sector issuer of a green, climate-focused bond in 2014. We later adopted a program framework for the climate emissions market and are continuing our policy of regularly issuing climate bonds. A new milestone for AFD Group came in 2020 with the publication of a renewed thematic borrowing framework focused on the SDGs. It is of course in line with the Green Bond Principles and Social Bond Principles, specifically in terms of the transparency of project selection and the use of funds raised. The framework gives AFD the possibility of issuing three types of bonds: sustainable, climate, and social.

In 2024, we published an update of our thematic SDG bond emissions framework aligned with the SDGs, in order to align it with our new Strategy 2025-2030 and to reflect the progress of our internal processes. The sustainable development rating system at AFD and Proparco is a cornerstone of this framework, which was assessed by a Second Party Opinion (SPO, Moody's Ratings) and received an SQS2 Sustainability Quality Score of "Very Good". AFD Group conducts more than 50% of its annual borrowing program via SDG bond issues. In 2024, the volume of bond issuance with the SDG label was €4.43 billion.

AFD won the "Best Agency Funding Team" award at the 2024 GlobalCapital Bond Awards. Bokar Chérif, Executive Director of Finance at AFD, reports on AFD's reaction as follows: "We at AFD are very pleased to have been given this award by the



industry. It testifies to the great work by our teams over the years in building a strong and reliable offer in the capital markets, which is expected by investors. Beyond the markets, this is an inspiration to maintain our commitments and the objective of this financing program to finance sustainable development projects."

With the goal of mainstreaming socially responsible investment considerations into its cash flow management, AFD Group has developed an ESG rating tool for its investments that combines two factors: ESG ratings of third parties and ratings of investment vehicles. This first factor comes from a reputable data provider, but the second was developed in-house and is specific to AFD Group. As of 30 December 2024, AFD Group's cash flow had an overall rating of 5.5 (on a scale of 10), 30 for an ESG effort intensity (distance from the maximum theoretical rating) of 5.5/7.4. This indicator is presented quarterly to the Treasury Committee, a body of the Executive Financial Management Division. It is then shared with a committee whose role is to review and monitor AFD Group's financial,

accounting, and management verification activities.

Meanwhile, AFD Group has continued to modify the nature of the employee savings investments offered to its staff. In 2024, a call for tenders was launched for a new employee savings management contract for AFD Group. A new management company was selected according to more demanding specifications on access to information for employees and environmental and social sustainability criteria for the proposed funds. The study and the terms of reference of the call for tenders commissioned from an agency specializing in sustainable finance were drafted so as to be shareable with other interested companies.



© Falihery-Francisco / AFD

Enhanced dialogue on ethics

Mindful of the strict requirements of its public service mission in French Overseas Territories and in foreign countries, AFD took the initiative in 2004 to put in place a comprehensive ethics system, comprising a charter, an ethics committee, and an adviser. The AFD Group Ethics Charter sets out a common ambition, behavioral standards, and commitments consistent with its threefold status as a public institution, financial institution, and development agency.

A representative and independent ethics board was set up in August 2022. It emphasizes the links between ethics and the individual

and collective questioning of our values and rules. The board is invited to clarify certain sensitive questions through Group-wide “Ethics” dialogue programs. For example, an internal survey entitled “AFD Group operates in countries where human rights are not respected: for whom and in what way is this a dilemma?” was sent to AFD Group employees in January 2024. A workshop and two “ethics café” events were held internally in 2024; discussions there fueled the AFD Group Ethics Board’s reflections and helped inspire its proposals and recommendations. Three podcasts were also produced on themes such as “What to do when you don’t agree, even if it’s official policy?” and “Ethics issues regarding employees under French law vs. local employees.” Some 23 internal ethics sessions were also

held in 2024, attended by 410 AFD Group staff working at AFD or Pro-parco, both at headquarters and in the network.

Through its educational, positive, and constructive approach, the ethics process strives to be attractive and serve as a call to action; it seeks to sharpen individual and collective questioning as well as each person’s duty to understand and implement AFD Group values.



Priority 3

Reducing AFD Group's footprint and refining its practices

© Yashas Chandra

Toward a low-carbon trajectory

For several years now, AFD Group has been progressively limiting its internal carbon and environmental footprint by gaining better knowledge of its direct greenhouse gas (GHG) emissions and adopting proactive action plans such as responsible purchasing, energy efficiency, and responsible digital technology. AFD and Proparco emissions are, for example, offset through the purchase of carbon credits to finance actions working toward the SDGs. In addition, the budgets of some projects implemented by Expertise France have included funds earmarked for voluntary compensation of emissions generated by air travel.

Between 2023 and 2024, total headquarters emissions for AFD and Proparco increased by 25%, from 25,997 to 32,473 metric tons CO₂-eq, due to two changes in the method of incorporating the emission factor of inputs. But without these changes in calculation, headquarters' emissions would have increased by only 2.9% due to the 11% increase in travel, but with no significant change in the distribution between expenditure category and no sharp increase in the number of flights. Nonetheless, travel-related CO₂ emissions are still 25% lower than in the pre-COVID period of 2019. Inputs and business travel now account for 92% of the headquarters' carbon footprint. Of note is the 22% decrease in emissions related to fixed assets, made possible by the reduction in the surface area of Proparco's offices and by the suspension of computer equipment purchases, in anticipation of the move to AFD Group's future headquarters, planned for 2027.

At first glance, CO₂ emissions from AFD's operations in the French Overseas Territories and in foreign countries increased by 37%. However, the 2024 and 2023 figures (mainly estimates) cannot be directly compared. The 2024 figures give a more accurate picture of emissions due to improved data collection and to what are now more accurate calculations of emissions linked to electricity and air conditioning use. In this way, the weight of "energy" increases significantly, both in absolute value and in relative value. Finally, the calculation of input-related emissions is now based on first-hand accounting information, thus making the data more reliable and standardized.

Expertise France is also committed to reducing its carbon and environmental footprint. In 2022, it carried out an initial assessment of its carbon footprint, which revealed that 95% of its impact came from air travel. Various analyses were conduc-

ted to assess the impact of travel in 2023 and 2024. This has led to a review of its travel policy, now under way. Expertise France will resume annual calculations of its GHG emissions in 2025 with a broader scope that encompasses headquarters, travel, and country offices. Expertise France's decentralization strategy, currently being rolled out, is a key lever for reducing the environmental impact of travel.

AFD Group has undertaken to reduce its internal carbon footprint by 2030. Our reduction goal will be established during social dialogue in 2025 and lead to a low-carbon trajectory for AFD Group via several levers. AFD Group's entities will implement specialized action plans without delay, particularly in energy efficiency.

Participating in low-carbon efforts

As a public operator, AFD Group is committed to the French government's ecological transformation plan and the national energy efficiency plan. We are putting France's "Eco-responsible Public Services" approach into action with our partners and service providers. A set of tailored measures was established, covering ways to both save energy and adapt to technical constraints, while constantly keeping in mind the need to provide the best possible working conditions for all. Some of the Paris offices were closed for about 10 days in August 2024 and again in December 2024. The closure in December 2024 helped reduce total energy consumption over the year by 1.54% in the buildings concerned.



© Batou Digital / AFD

Meanwhile, special efforts have been made to promote soft mobility. A sustainable mobility package for employees was put in place and significantly subsidized so that AFD's efforts to contribute to employees' soft mobility costs are on par with what it contributes to public transport costs.

Since July 2023, the company restaurant at AFD headquarters has become more sustainable to meet its users' expectations. Two vegetarian options are now available every day. There is now a "100% vegetarian day" every month. Less beef is served, and at least 54% of the food is now sustainably sourced, including 39% from organic farming (by comparison, France's "Egalim" law stipulates only 20% organic produce in food purchasing for collective catering). Coffee and chocolate sold at the cafeteria are fair-trade and organic certified. Particular attention is also paid to reducing plastic waste, and water in plastic bottles has been discontinued. Lastly, the cate-

ring contractor redistributes some leftover edible food from its central kitchen under an agreement with a food bank.

Promoting responsible procurement

In 2024, AFD Group adopted a responsible procurement roadmap. It meets three commitments: reducing the environmental footprint of purchases, improving their social responsibility, and contributing to the economy and to local territories. It thus aims to (i) strengthen the environmental and social impacts of procurement, (ii) reduce AFD Group's carbon emissions, (iii) encourage purchasing from companies employing people with disabilities or difficulties, (iv) shift toward more responsible digital technology, and (v) reaffirm our commitment to gender equality in the workplace and to diversity. To this end, we plan to mainstream environmental and

social considerations into our procurement processes, so that gradually, by 2027, all contracts include at least one environmental rating criterion and one environmental clause (technical specification or implementation condition) regardless of the amount of the contract, and a social clause for contracts above the EU threshold of €221,000. These objectives will help AFD Group comply with Article 35 of the French “Climate and Resilience Act” by its date of application (22 August 2026) and follow the National Sustainable Procurement Plan (PNAD).¹

An interactive platform of environmental and social considerations adapted to the different purchasing categories of AFD Group has been developed and made available to buyers and product recommenders of AFD Group. Using the platform, they can select and incorporate environmental and social considerations adapted to the challenges of each purchase category. It also identifies procurement projects conducive to procurement from companies in the sheltered employment sector.

The various actions implemented have helped make progress toward the objectives set by AFD Group. In 2024, 54% of AFD contracts included at least one environmental consideration and 40% at least one social consideration. As in previous years, AFD Group has apportioned the contracts available through procurement procedures into lots, this being a legal requirement in public procurement so that more specific lots can be accessible to small-scale suppliers.

This approach is based on representative governance of the AFD Group

entities, quantitative and qualitative objectives set until 2027, and a transformation plan to achieve these objectives. Finally, AFD Group’s Socially and Ecologically Responsible Procurement Plan was published in April 2025. This plan, required as part of the “Climate and Resilience Act” for public contractors, bolsters our accountability and serves as a tool for dialogue.

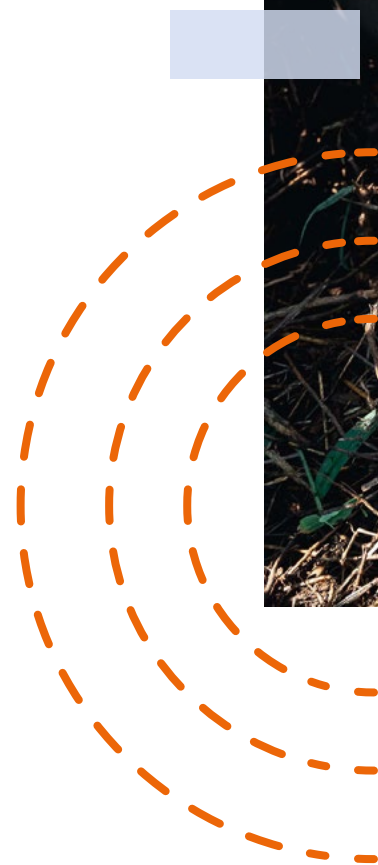
Toward more responsible digital use

AFD Group has a “responsible digital use action plan” that seeks to reduce the carbon and environmental impact of the use of digital technology internally. In 2024, the following actions were carried out: improvement of inventories and awareness-raising actions (the number of PCs per employee dropped from 1.15 to 1.03), automatic standby of workstation computers and device screens when not in use, promotion of electronic signature tools, study of practices for dealing with end-of-life equipment, inclusion of environmental criteria into calls for tenders, and establishment of a comprehensive process to decommission 356 online servers that are no longer used. In addition, a performance criterion on the volume of personal storage of files has been included in the employee profit-sharing agreement. A target has been set to reduce storage use by 20% by 2026.

For its PC replacement campaign, the IT Department has chosen to donate the old PCs to associations. In 2024, more than 658 PCs were given to schools and nonprofits, notably to Label École, a second-chance

school in the Emmaüs network that offers free training in e-commerce jobs for people who experience difficulty in finding work.

¹ These objectives, for 2025 and beyond, are 100% of contracts over €40,000 with at least one environmental consideration and 30% with at least one social consideration.





Priority 4

Responsible human resources

Quality of life at work

Concerning the quality of life at work, AFD continued to implement the agreement signed in 2020. The Human Resources Division has continued its efforts to implement measures for psychosocial risk prevention, provide support in difficult situations, and optimize operations of the monitoring unit for occupational stress. A new system for reporting and handling harassment, discrimination, and sexual and gender-based violence claims was set up. This system was publicized through specific communication actions.

The current remote work agreement allows for a set number of days of remote work. It also lays out new conditions such as flexibility for women to work remotely during their menstrual cycles. The agreement

includes remote work guidelines within each entity to establish basic rules to ensure fairness and efficiency for all employees.

In 2024, an agreement was signed for employees who are also caregivers to family members. This agreement gives these employees access to support measures and systems that let them continue working while making their daily lives easier. An agreement for a leave-sharing program was also signed to allow employees (especially those who are caregivers) to take additional days off when needed.

Initiatives to develop social cohesion and employee engagement have also been created. For example, a monthly "random lunch" is held to encourage conversation, meet new coworkers, and learn about the other AFD Group teams.

There is also a sports and cultural association, run by the Social and Economic Committee, which offers various activities that successfully promote social cohesion among employees. In 2024, 816 employees participated in these types of activities.

AFD Group also has an in-house mediator whose role is to provide support on workplace prevention issues and conflict management and resolution (between individuals and within teams) in a professional setting. She works with employees both in the head office and throughout the network, providing advice and facilitating interpersonal and group mediation processes.

Promoting equality in the workplace

Gender equality in the workplace is a major HR policy focus for AFD Group. It aligns with AFD Group's overall financing policy by making gender a key lever for achieving the SDGs.

AFD Group's efforts in this area were recognized by AFNOR's Gender Equality Certification, awarded in 2021 and maintained following an interim audit in 2023. AFD and Proparco both received a workplace equality index score of 93/100 in 2024 (versus 92/100 in 2023), while Expertise France scored 94/100. The gender pay gap has decreased, with men earning 1.8% more than women in 2024 compared to 2.1% in 2023, mainly due to differential at the management level.

Lastly, the AFD Group's women's network, "Mondes en commun-e-s" ("Worlds in Common"), continued its mentoring program in 2024. This program connects women with more experienced female colleagues to support their career and leadership skills development. In all, 90 two-person teams were formed. This program is supported by the Human Resources Department and featured workshops led by a coach who worked with the mentor-mentoree teams.

Working toward greater inclusion and diversity

AFD's work to support diversity and inclusion was recognized by the AFNOR Diversity Certification in 2021, which was maintained following an interim audit in 2023. AFD is continuing its initiatives in this area, including awareness-raising, training, an external reporting unit, and participation in an inclusion barometer study. Discrimination risks were mapped by a specialized firm to analyze all HR processes and ensure that none present these types of risks, even indirectly.

In November 2024, the Disability Team suggested an array of initiatives as part of the European Week for the Employment of Disabled People: participation in the Paris Job Fair, activities based on a game distributed by Agefiph,¹ hours when employees can meet a Team representative at AFD Group's various Paris locations, and promotion of the new disability agreement signed in May 2024 to support employment of people with disabilities. In 2023, people with disabilities accounted for 4.06% of salaried employees at AFD and Proparco.

Meanwhile, the Human Resources Department works with several AFD employee groups involved in diversity issues (Monde en commun-e-s, Pride, Caregivers, Les Aidants, Kult4D). Diversity issues were benchmarked during the last quarter of 2024, and contacts were made with diversity, equality, and inclusion managers at several institutions and partner organizations (World Bank, KfW, EIB, EBRD, French Ministry for Europe and Foreign Affairs, CDC, IDB) to enrich mutual discussions based on experiences with these topics.

An HR Department working group looked at issues related to being a single parent and how it impacts employees' work in the context of discussions with union representatives on improved consideration of the many situations that arise.



© Zuleika de Souza

¹ Association de gestion du fonds pour l'insertion professionnelle des personnes handicapées.



Employee engagement

As part of a partnership with the nonprofit organization Article 1, employees help mentor young people to support their professional integration. This partnership also aims to broaden the pool of candidates for internships and work-study schemes within AFD Group, encourage greater diversity among young employees, and make AFD Group an equal opportunity employer.

Dozens of employees from AFD, Proparco, and Expertise France took part in the Sine Qua Non Run in 2024. This race was created to take a stand against sexual and gender-based violence and promote gender equality.

Employees also participated in a clothing drive for the nonprofit organization Apprentis d'Auteuil and collected toys for hospitalized children at Necker Hospital in Paris and for the nonprofit Sol En Si. AFD also hosted a design market for the nonprofit Adie to support self-employed ar-

tisans and vendors. Adie is a nonprofit of public interest that believes that anyone can be an entrepreneur, even if they don't have a degree or capital, as long as they have access to financing and professional assistance based on trust and mutual support.



Climate Fresk workshop

© Axelle Bergeret-Cassagne / AFD

Drivers of corporate social responsibility

Training employees

In keeping with AFD Group's strategic commitments, training on sustainable development is a key focus: 26 training courses related to sustainable development were held in 2024, with several sessions available for each option. In all, 653 employees participated in at least one training session on sustainable development.

To improve its training program, AFD Group launched a training center in early 2024 called AFD Group Campus. The Campus connects all teams involved in providing training for AFD employees, partners, and clients. By making AFD Group Campus a new, separate division, AFD Group is making clear the strategic value of employee and partner skills development.

Raising awareness about sustainable development

Several awareness-raising events were held throughout the year for employees. For Digital Cleanup Day in March 2024, workshops were held to raise awareness about digital pollution. During the month of May, when France celebrates Mai à vélo, or "bike month", employees took part in a bike riding refresher, bike repair workshops, and group bike rides in the neighborhood where the new head office will be, near the Austerlitz train station. AFD also hosted photographer Mary-Lou Mauricio in conjunction with her "BORN IN ... PPM" photography project to draw attention to climate change.

European Sustainable Development Week (ESDW) was held in

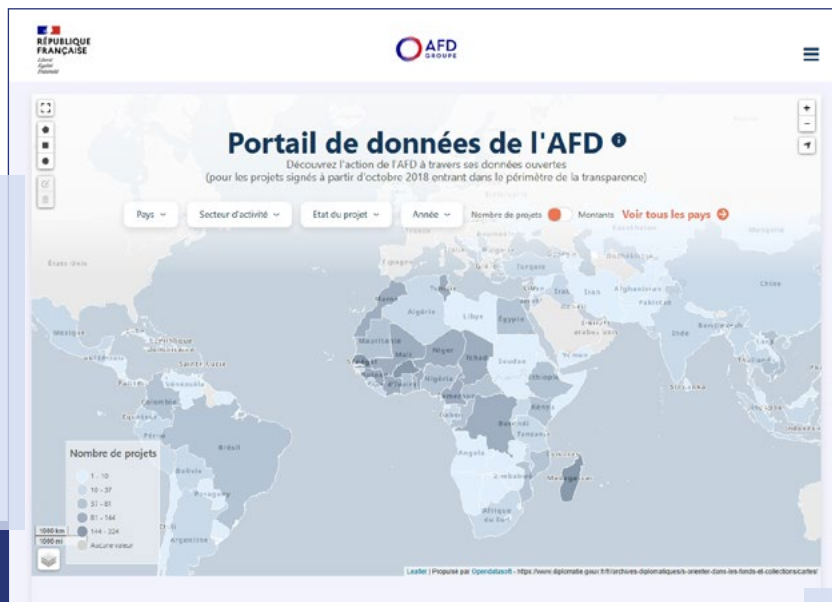
September 2024, based on the theme of sustainable food. Activities included cooking workshops to reduce waste, interactive workshops on food, an exhibition, and a smoothie-making workshop. To reach as many AFD Group employees as possible, two printed types of marketing materials were widely shared: a wheel showing seasonal fruits and vegetables (more than 1,250 copies distributed) and a book of recipes, with employees abroad sharing some of their favorite zero-waste recipes from around the world using seasonal, low-carbon ingredients (more than 800 copies distributed). Lastly, a tasting workshop was organized with employees' children. Throughout the week, the corporate cafeteria served low-carbon dishes created especially for the occasion. Every day, the amount of food waste was weighed and posted in the

CORPORATE SOCIAL RESPONSIBILITY AND ACTIVITY REPORT 93

AFD Group launched its Open Data portal in June 2024, with the aim of making all data subject to transparency rules publicly available. This new portal is more user-friendly and better organized to make the data easier to access. AFD is working to further strengthen its policy on publishing data in a format that meets IATI standards as well as on its Open Data portal, which involves continued efforts to broaden the scope of transparency. In its Aid Transparency Index 2024, the international NGO Publish What You Fund, which evaluates the quality of donor transparency, scored AFD as “Fair,” down from “Good” in its previous report. This decline comes despite major efforts over the past two years to improve not only internal practices at AFD Group but also the quality and quantity of data published. An action plan has been implemented to raise the score back to “Good” during the next assessment.

AFD Group's CSR policy can be found here:

<https://www.afd.fr/en/our-social-responsibility>



Key figures

653 employees participated in at least one training session on sustainable development

3,250+ participants in CSR awareness-raising activities

658 computers given to schools and associations

AFNOR workplace equality index score of

93/100 for AFD and Proparco

94/100 for Expertise France

Sustainability reporting as a way to leverage transformation

CSRD: transparency for environmental and social transitions

At the World Climate Summit in 2019, the EU launched its Green Deal with the ambition of becoming the first climate-neutral continent by 2050. To this end, the EU has built an ecosystem – the Corporate Sustainability Reporting Directive (CSRD) – on sustainability reporting, taxonomy regulation, and the environmental, social, and governance (ESG) pillar of CRR III prudential regulations. The objective of the CSRD is to direct financial flows toward sustainable companies. Under the CSRD, companies that exceed certain thresholds for net turnover, balance sheet total, or numbers of employees must disclose ESG data that will be used by banks, insurance companies, or asset managers. By improving the availability and quality of ESG data published by companies, the CSRD raises sustainability information to the same level as financial information. Following the “double materiality” principle, which is a core aspect of the directive, companies must ensure transparency according to harmonized stan-

dards (the European Sustainability Reporting Standards – ESRS). This transparency must cover (i) the effects of sustainability issues on the company’s financial situation and performance and (ii) the impacts, risks, and opportunities created by its activities on the environment and

society. Transparency on corporate management of sustainability issues encourages the establishment of an environmental and social trajectory steered by dedicated governance, which will be analyzed by external auditors.

© Batou Digital / AFD

AFD Group aligned with CSRD's transformational approach

The regulatory environment has shifted since the European Commission issued its “Omnibus” simplification package on 26 February 2025, on the CSRD, Taxonomy, and the Corporate Sustainability Due Diligence Directive (CS3D). Despite these changes, AFD Group has embarked on a compliance process that aims for not only transparency on ESG data in the ESRS-required format, but also the inclusion of sustainability as a core aspect of AFD Group’s strategy and the deployment of real transformation capacity.

In its Strategy 2025-2030, AFD Group is committed to becoming the first 100% SDG-aligned public development bank following its alignment with the Paris Agreement in 2017. We are making support for the SDG trajectories of countries and territories one of our core actions, and

we are contributing to international advocacy and mobilizing financial flows and investments toward the SDGs. AFD Group is aligning with the transformational approach promoted by the CSRD for several reasons: (i) to increase the transformational impact of our actions, (ii) to maximize the positive co-benefits and synergies that promote our three crosscutting issues (climate and nature protection, reduction of inequalities and multidimensional vulnerabilities, and institutional and democratic development), and (iii) to do no harm.

A stronger CSR policy

The Strategy 2025-2030 document provides for AFD Group to strengthen its CSR policy in line with the framework set by the Agenda 2030, both through the quality of its operations and by supporting systematic consistency between its internal functioning and its external commitments. This process is fully aligned with the impact-focused approach promoted by the CSRD. AFD Group has therefore undertaken to reduce

its internal carbon footprint by 2030 and to improve the compensation of its residual emissions. Our reduction ambition must be set out in the social dialogue by the end of 2025 and put into motion based on several levers. These will include the promotion of responsible procurement and a low-carbon trajectory for AFD Group, in line with the transparency required by the directive on the transition plan for climate change mitigation and adaptation. Additionally, AFD Group’s significant commitment to an ambitious HR policy (particularly in terms of diversity and gender equality) and to its clients and partners demonstrates that we place the interests of our stakeholders at the heart of our actions throughout the value chain. This is likewise consistent with the CSRD, which encourages their inclusion in strategy and business models.





© Mobeen Salman Ansari / AFD



03

OUR OPERATIONAL RESULTS IN FIGURES



**LATIN
AMERICA**
€2.2^{BN}
(16%)

Total including €13 billion in authorizations for AFD and Proparco and €0.8 billion in agreements signed for Expertise France.

© Mubeen Salman Ansari / AFD

AFD Group around the world

Geographical breakdown of new financing authorizations

in 2024

MULTI-COUNTRY
(NOT MAPPABLE)

€0.5 BN
(3%)

ENLARGEMENT
AND "EUROPEAN
NEIGHBORHOOD"

€1.8 BN
(13%)

ASIA AND MIDDLE EAST

€2.1 BN
(15%)

AFRICA

€5.5 BN
(40%)

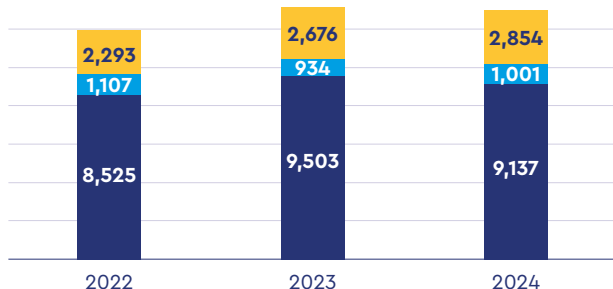
"THREE
OCEANS"

€1.6 BN
(13%)

Authorizations, agreements signed, disbursements

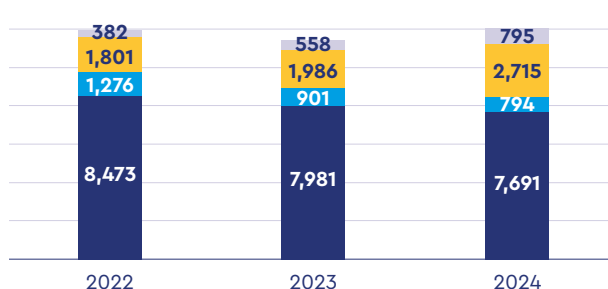
AUTHORIZATIONS FOR AFD GROUP COMMITMENTS IN FOREIGN COUNTRIES AND FRENCH OVERSEAS TERRITORIES

In million euros, excluding multi-country projects



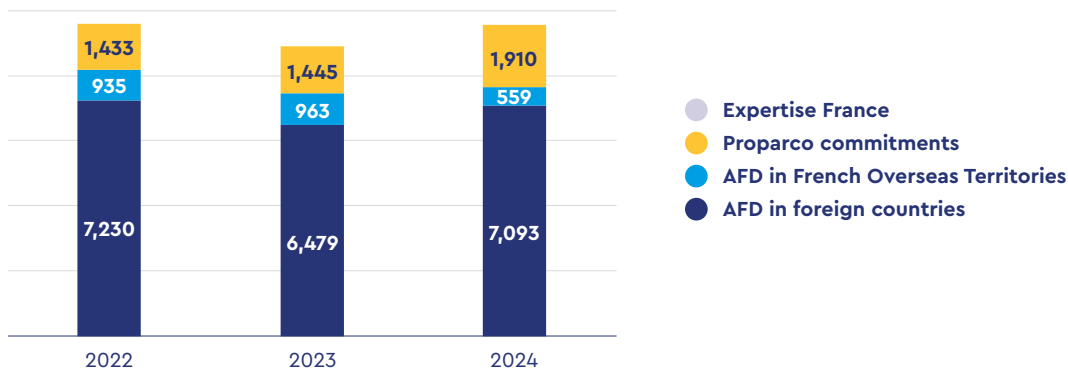
AFD GROUP AGREEMENTS SIGNED IN FOREIGN COUNTRIES AND FRENCH OVERSEAS TERRITORIES

In million euros, excluding multi-country projects



AFD GROUP DISBURSEMENTS IN FOREIGN COUNTRIES AND FRENCH OVERSEAS TERRITORIES

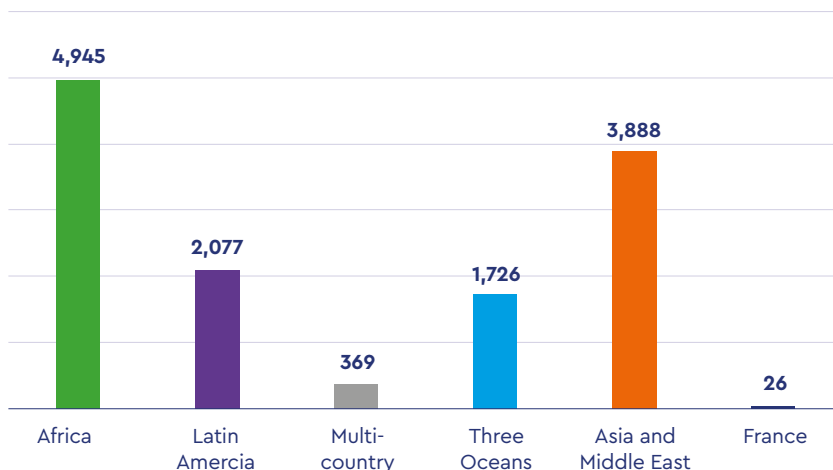
In million euros



- Expertise France
- Proparco commitments
- AFD in French Overseas Territories
- AFD in foreign countries

AFD GROUP AGREEMENTS SIGNED IN 2024 BY GEOGRAPHICAL AREA

In million euros



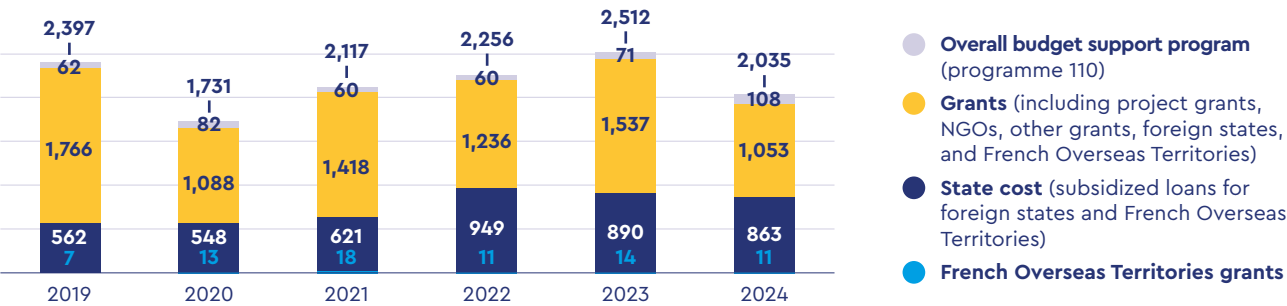
In brief

In 2024, AFD Group authorized €13.03 billion in new financing, including €10.1 billion for AFD and €2.9 billion for Proparco. The total volume of contracts signed by Expertise France was €800 million, for a turnover of €447 million. AFD Group's consolidated net income reached €344 million.

Financial contribution from the French Government

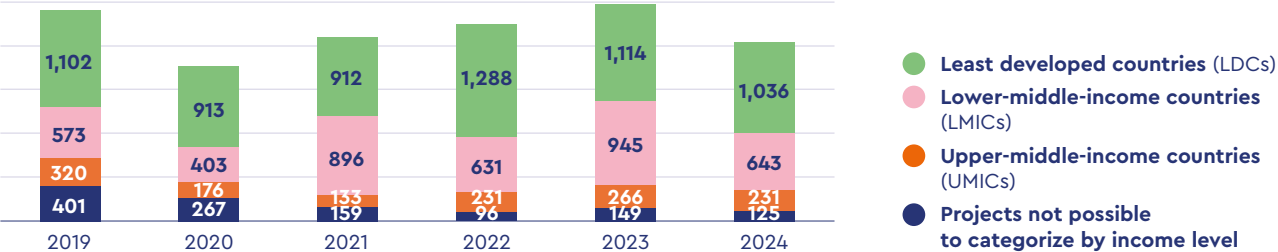
FRENCH GOVERNMENT FINANCIAL CONTRIBUTION IMPLEMENTED BY AFD GROUP

In million euros



FRENCH GOVERNMENT FINANCIAL CONTRIBUTION IMPLEMENTED BY AFD GROUP BY COUNTRY INCOME LEVEL

In million euros



NOTES

NOTES

About AFD Group

AFD Group finances and drives the transition to a fairer, safer and more resilient world, working with its partners to support communities all over the world. Drawing on the complementary strengths of its entities – Agence Française de Développement for public financing, Proparco for responsible private investment, and Expertise France for technical expertise – the Group is ideally positioned to meet all sustainable development challenges.

Working in over 160 countries, including France's Overseas Territories and Departments, the Group adapts its operations to the realities on the ground, actively supporting local initiatives. With over 4,000 projects, whose objectives are aligned with the Sustainable Development Goals (SDGs), AFD Group works on behalf of the French people, together with all stakeholders committed to economic development and the preservation of common goods: climate, biodiversity, peace, gender equality and global health.

Working by your side, toward a world in common.



www.afd.fr - Twitter : @AFD_France - Facebook : AFDOfficiel
5, rue Roland-Barthes -75598 Paris cedex 12 -France
Tél. : +33 1 53 44 31 31