



RÉPUBLIQUE
FRANÇAISE

*Liberté
Égalité
Fraternité*



Climate

ACTIVITY REPORT

2024

#WorldInCommon

Climate and biodiversity: new ambitions for AFD Group

AFD Group was the first public development bank to **align its actions with the objectives of the Paris Agreement**, starting in 2017. This ambition reached a milestone in 2024: its new strategy now calls for **requirements to protect climate and nature at the same level** and emphasizes three key goals:

› **Strengthen**
its actions that have
**transformational
impact** on climate
and nature.

› Aim for activity that's
**100% aligned with
the Global Biodiversity
Framework** starting in 2025.

› Better
mainstream
the issues of **just
transition and
vulnerabilities**.

The Group's actions to achieve these ambitions:

• Accelerate sustainable development trajectories

AFD Group helps guiding its partners in designing and financing sustainable development trajectories that are built by the countries themselves along with local stakeholders. These trajectories involve not only **mitigation, but also adaptation and protection of nature**. Targeted assessments and a support offer will facilitate the **transformation of organizations**.

• Influence norms

AFD works alongside economic and institutional actors to **promote high standards** (either regulatory or voluntary), **encourage the private sector to make socially responsible commitments**, and **include climate risks** into decision-making.

• Improve our internal actions

In 2024, AFD continued to reduce its own emissions (aiming for a 2030 target). Our Open Data platform shows our increased transparency.

• Promote transformation that aids mitigation

AFD Group is bolstering its actions on **projects with strong systemic impact**, based on a cornerstone of existing activities. These will more fully address the issues of jobs, solidarity, energy savings and efficiency, decarbonization, and transition to responsible supply chains.

• Improve targeting for adaptation

To deal with the effects of climate change, AFD Group is committed to **better targeting the people and countries most exposed to its impacts**. In concrete terms, the AFD will integrate the issues of **loss and damage** and **disaster risk reduction**, and will encourage **local and nature-based solutions**, using innovative tools.

• Mobilize the forces of change

To accelerate these transitions, AFD Group is **mobilizing public development banks (through the International Development Finance Club and the Finance in Common Summit)**, the **private sector**, **delegated funds**, **research**, **civil society**, and **youth**.

150+ focal points

provide climate expertise throughout the AFD Group network

16.7 tonnes of CO₂ equivalent

emitted by employees at our headquarters in 2024

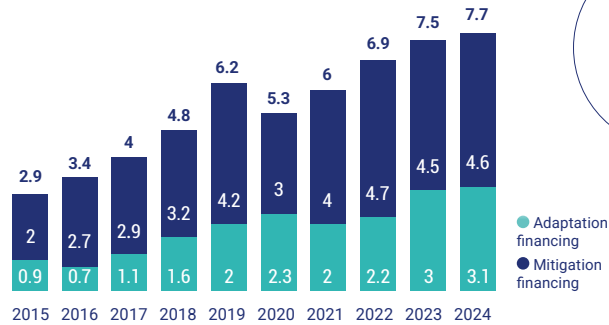
Snapshot of results



100% in line with the Paris Agreement

100% of AFD Group's financing actions are consistent with low-carbon and resilient development at the country level

Trends in AFD Group commitments (in € BN)




€7.7 BN
in climate financing committed in 2024

x3
Threefold growth in annual adaptation financing since 2015



€55 BN
in climate financing committed in developing countries and in French overseas territories by AFD Group since 2015



2 430 projects
with climate co-benefits financed between 2015 and 2024

AFD, a "transformational" actor, for phasing out fossil fuels and displaying institutional leadership

The independent think tank E3G assesses how well public development banks have aligned with the Paris Agreement. E3G has ranked AFD among the most exemplary financial institutions and given us the distinctive rating of "transformational" for our institutional leadership and our policy of phasing out fossil fuel financing since 2020.



To find out more: [World tour of climate solutions](#)

AFD Group's climate activity in 2024

€7.7 BN

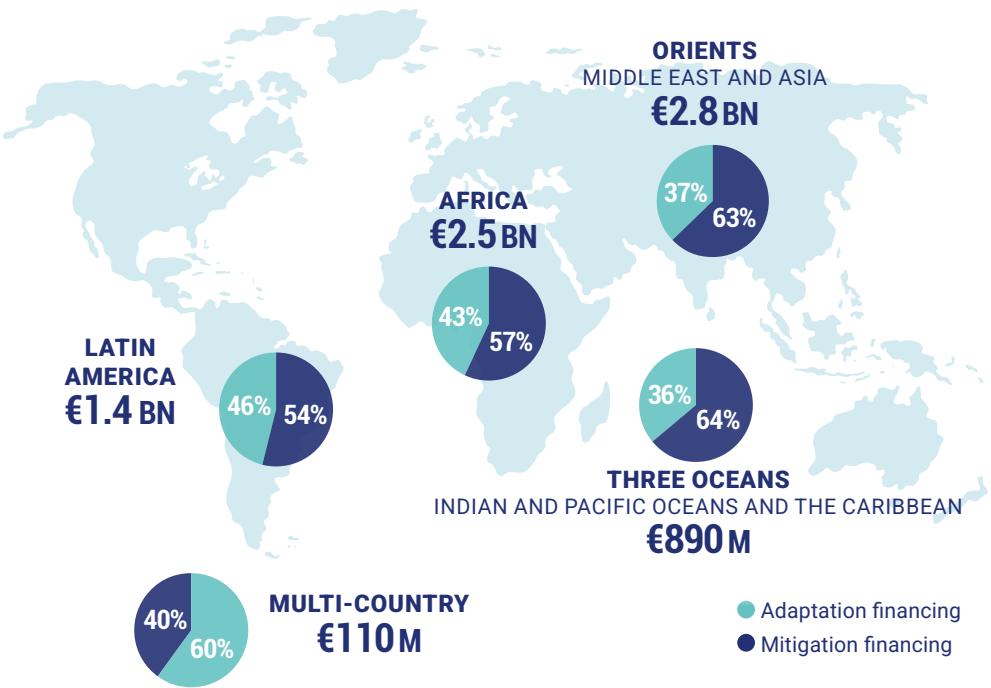
in climate financing committed in 2024 by AFD Group in developing countries and in French Overseas Territories

including

€3.1 BN

dedicated to adaptation

Breakdown by region



35% of climate financing committed also benefited biodiversity in 2024,

through sustainable resource management projects and value-chain approaches promoting nature-based solutions.

In 2024, climate financing represented

59%

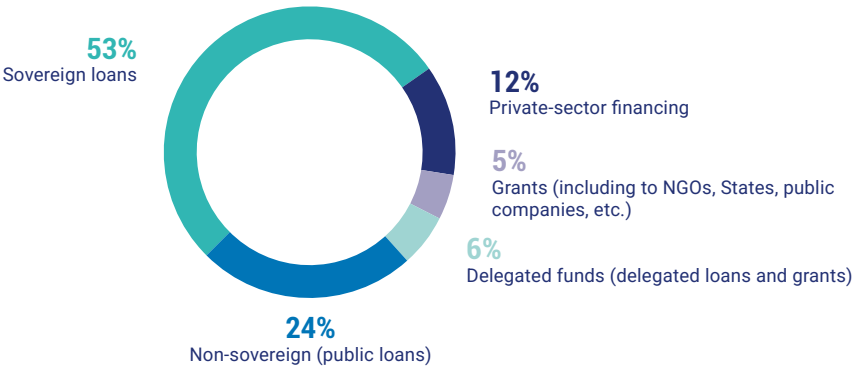
of AFD Group's total commitments (foreign countries and french overseas territories).

61%

of AFD Group commitments in foreign countries¹

AFD Group once again met the commitment it made in 2017 to devote at least 50% of its financing each year to projects with climate co-benefits.

Breakdown by financial tool 2024



AFD Group mobilized for the climate



€911 M
committed to financing
with climate co-benefits



€50 M
dedicated
to adaptation projects



€72 M in climate projects in 2024,
not including AFD financing

Expertise France continues to support its partners towards a just and adapted transition. At the end of 2024, it adopted a climate action plan in its operations, to better raise awareness among employees about the links between climate and international cooperation and to give them the tools to deal with them.

¹ The ratio of 61% is calculated from the annual commitments of AFD and Proparco in foreign countries (excluding French Overseas Territories), in accordance with the commitments made in AFD Group's 2017-2022 climate and development strategy.

Adapting to the effects of climate change

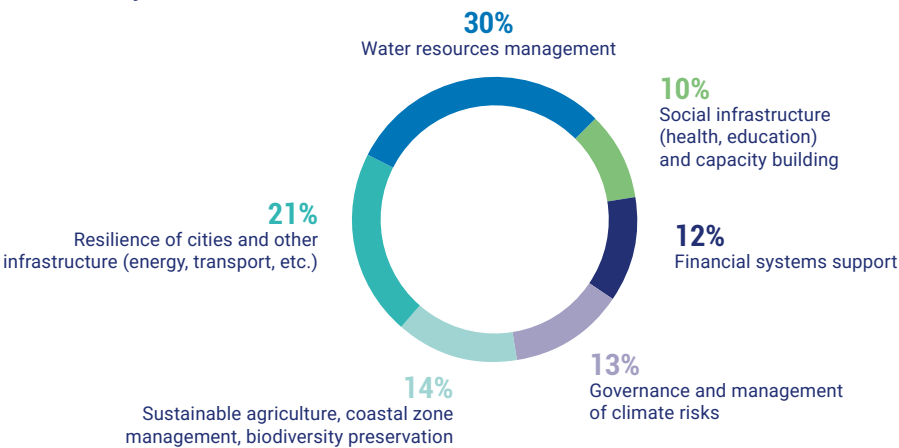
Adaptation to climate change refers to all policies and measures seeking to reduce the exposure and vulnerability of societies to hazards linked to climate change (e.g., extreme temperatures, droughts, rainfall, coastal erosion, etc.).

€3.1 BN
committed
to adaptation projects
in 2024

or about
41%
of AFD Group's
climate financing

x3
Threefold growth in annual
adaptation financing
since 2015

Breakdown by sector in 2024



The projects for which financing was approved in 2024 will contribute to several Sustainable Development Goals.



15.9 M
people will benefit from
increased climate change
resilience.



More than
180,000
family farms will convert
to agroecological systems.

Examples of climate-change adaptation projects



Improving the climate resilience of the city of Tamale

Ghana – €5 M grant

This project is designed to improve the resilience of Tamale residents to floods and heat waves, through the development of green public spaces and water-management infrastructure. Its participatory approach involving citizens helps improve local urban governance. The project is co-financed by the European Union (€23 M).



Accelerating the financing of climate-change adaptation

Brazil – €120 M non-sovereign credit line

This project provides support to the regional bank Banco Regional de Desenvolvimento do Extremo Sul, to offer financial instruments

to regional communities and economic actors to anticipate, reduce, and cope with the consequences of extreme climate events. It supports the financing of low-carbon investments and activities that contribute to climate-change adaptation.



Improving the social protection system for the people most vulnerable to climate change

Pakistan – €27.5 M loan

In partnership with the Gates Foundation, this financing boosts the resilience of people in Pakistan by facilitating access to basic services (social protection, civil status and primary health care) for highly vulnerable people. The project involves a cash-transfer program to increase people's capacity to respond to extreme climatic events such as floods.

ADAPT ACTION

Supporting adaptation strategies for the most vulnerable

In 2024, Phase 2 of AdaptAction was consolidated with the dual objective of strengthening governance and public adaptation policies, as well as structuring climate-investment projects in vulnerable countries. The program builds on the strength of its €700-million leverage effect between 2017 and 2023 (phase 1) and continues as a **catalyst for climate financing**. It supports partner countries' access to **international climate financing**, such as the **Green Climate Fund** and the **Adaptation Fund**.

The granting of **€4 M in August 2024 to Bangladesh** marked the beginning of the extension of the program in the country, with the goal of establishing a structured approach to adaptation issues. AdaptAction is also expanding in the **Mediterranean**, thanks to **€7.5 M in co-financing from the European Union** and two coordinators deployed in the field.

Mitigating the impacts of climate change

The purpose of climate change mitigation is to slow down global warming through projects that contribute to the reduction of greenhouse gas (GHG) emissions or to the protection of carbon sinks and reservoirs, such as forests.

€4.6 BN
committed to mitigation projects in
2024

The projects for which financing was approved in 2024 will contribute to several sustainable development goals:

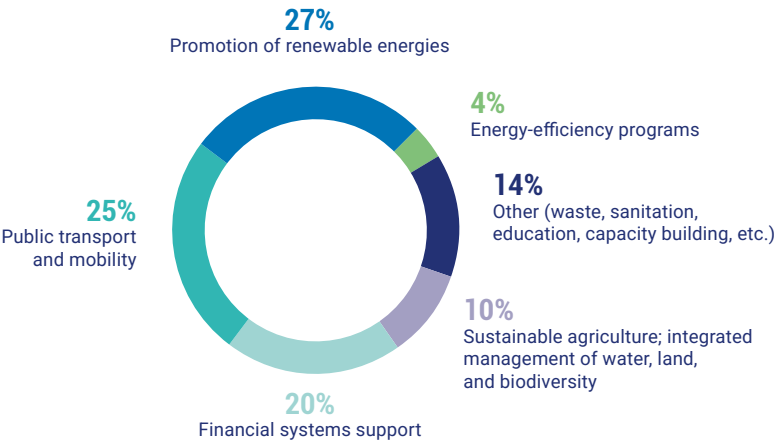


4 M people will benefit from improved electricity service thanks to a more efficient and modernized grid that will reduce energy losses and GHG emissions.



2.6 M people will benefit from improved access to sustainable urban transportation.

Breakdown by sector in 2024



Examples of climate-change mitigation projects



Improving urban mobility in Belo Horizonte

Brazil – €50 M sovereign loan

The aim of the project is to promote soft mobility and public transportation in the city of Belo Horizonte, by building the infrastructure for its future bus rapid transit system, extending its cycling network, and greening public spaces.



Improving hazardous waste management

Serbia – €75 M sovereign loan

This project, co-financed with the EBRD, seeks to reduce the environmental and health impact of solid waste in several cities in Serbia. It works to improve both the living environment and the management of organic waste (recycling, composting, biogas), in order to limit GHG emissions and bring Serbian legislation closer to European Union standards.

Just Energy Transition Partnerships (JET-P)



The JET-P agreements form financial coalitions to accelerate the decarbonization of economies by making social questions a core issue. Four countries have signed JET-P agreements with France so far: Vietnam, Senegal, Indonesia, and South Africa. AFD provides financial and technical support to each of these countries to help finance just transitions.

Examples of support for a just energy transition in 2024

South Africa -



€400 M sovereign loan

AFD and the South African authorities have signed an agreement for a €400 M public policy loan to implement a fair, inclusive, and equitable energy transition plan. This financing seeks to support the South African territories most affected by the energy transition and to provide guidance for the social reforms determined by South Africa. In particular, it will support access to employment, entrepreneurship, and the fight against energy poverty.

Indonesia -



€150 M sovereign loan

This loan, co-financed by the Asian and German development banks, provides budget support for public policies so that Indonesia can set up a regulatory framework essential to the energy transition (in photovoltaics in particular). It provides for the development of a roadmap on the closure of coal-fired power plants and the launch of a carbon quota market. The project also seeks to strengthen the financial sustainability of the electricity sector.

Supporting low-carbon and resilient trajectories in our partner countries

AFD Group supports governments in developing and implementing strategies and public policies for a low-carbon, just, and resilient transition.

FACILITÉ A dozen new supports in 2024 **2050**

Since 2018, the 2050 Facility has supported 38 AFD partner countries in developing and implementing their long-term strategies in low-carbon and resilient development. Some of these strategies have been submitted to the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC). The processes developed involve the strengthening of local capacities and the mobilization of international expertise. Support from the 2050 Facility also helps back up JET-P partnerships by better targeting studies and deploying expertise.



€2 BN

**in public-policy loans
for the climate in 2024**

Public-policy loans are designed to support sectoral or multisectoral policy. They include budget support, dialog backed by a matrix of indicators, and technical cooperation. In addition, AFD Group also proposes studies, technical assistance, and capacity building.



Risk-modeling project for the energy transition

Rwanda – €480,000 grant

Dedicated tools and funding of €480,000 are enabling AFD, through the 2050 Facility, to contribute to modeling how sectors of the real economy are exposed to the risks of the low-carbon transition and the impact of the latter on currency, taxation, employment, and income distribution.

Supporting civil society's work for the climate

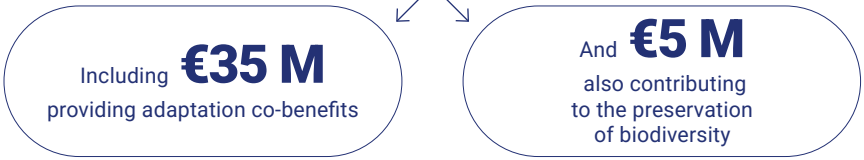
29 projects

of civil society organizations financed in 2024 through the CSO Initiatives mechanism provide positive benefits for the climate

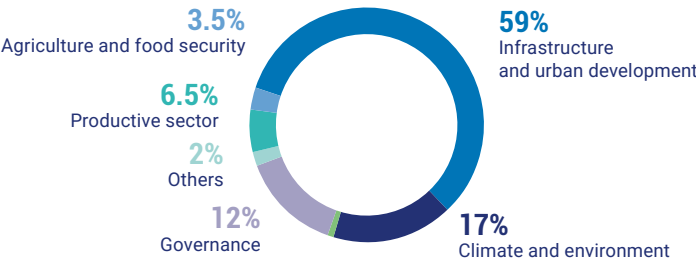
amounting to

€41 M

and representing nearly 27% of our total commitments to civil society



Breakdown by sector (climate financing) in 2024



Semer Project: market gardening with renewable energies

Senegal – €680,000 grant

In 2024, AFD granted €680,000 to the SEMER project, led by the Energies Pour le Monde Foundation, for a period of three years. The project will stimulate the development of the market-gardening sector in the Casamance region, which is facing a high level of food insecurity. The project includes the development of infrastructure for pumping, irrigation, and the storage and processing of agricultural products using solar energy. All this will contribute to improved water and energy management.

For a world in common

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.



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