



Governance

ACTIVITY REPORT

2024



AFD Group's work on governance promotes the development of fair and united societies that respect the freedoms and rights of all human beings. The Group finances institutional-, political-, and citizen-focused initiatives with a view to strengthening trust between people, States, and institutions, and fostering sustainable development. To this end, AFD Group supports actors driving innovation, reforms, and transformations for their countries and regions, organizations, and citizens.

While governance falls mainly under the Sustainable Development Goals (SDGs) 16 and 17, it also supports several other SDGs (5, 10, 11, 12, 13).

AFD Group's portfolio of governance-related operations touches on a wide variety of themes that encompass the full spectrum of the social contract. The scope of governance covers activities to strengthen the rule of law and public action, open up the civic space, manage migration, support sustainable development policy financing, and contribute to macroeconomic stabilization.

Rising numbers of crises and conflicts, the effects of climate change, democratic backsliding, and the impacts of all of these on mobility make migration challenges all the more significant for socioeconomic development and political dialogue in our partner countries. The importance of these issues is echoed today in AFD Group's operations, as shown by the substantial increase in the number of projects and investments dealing with governance.

In 2024, AFD committed €522 million in grants and loans for governance-related issues, for a cumulative volume of €8.2 billion since 2016.¹

¹ These figures relate to AFD only; for data on Expertise France, see page 11.

AFD Group's governance strategy

AFD Group aims to make governance a tool with which to transform societies, consolidate public action, and accelerate transitions, at a time when the world is greatly affected by climate and environmental crises, democratic backsliding, persistent inequality, and risks associated with digital technologies.



Our governance activities center on four main priorities:



CONTRIBUTE TO MORE OPEN AND UNITED SOCIETIES

Promote democratic vitality, public transparency and accountability, the accessibility and safeguarding of civic spaces, and the right to reliable information – these are the foundations of inclusive public policies that reduce inequality and ensure respect for human rights.



STRENGTHEN THE RULE OF LAW AND PUBLIC ACTION

Support the transformation of public administrations and the provision of public services at all levels of the country or territory, ensure access to justice and rights, and reduce and manage disaster risks.



SUPPORT SUSTAINABLE DEVELOPMENT FINANCING

Make public financing a tool for transitions and sustainable development, and direct resources and investments, including those from diasporas.



REINFORCE MACROECONOMIC STABILIZATION AND CRISIS RESPONSE

Provide financing, upon request of the French government, to address economic, social, environmental, and security crises.

AFD Group's approach

By bringing Expertise France under its umbrella in early 2022, AFD Group now has a set of complementary tools to support all its partners. One of Expertise France's main tools is French and European expertise, backed by AFD financing, to assist with the development and implementation of sustainable public policies.

€177 M

mobilized by Expertise France for governance issues, including **€23 M** through AFD funds

AFD governance activity in 2024²

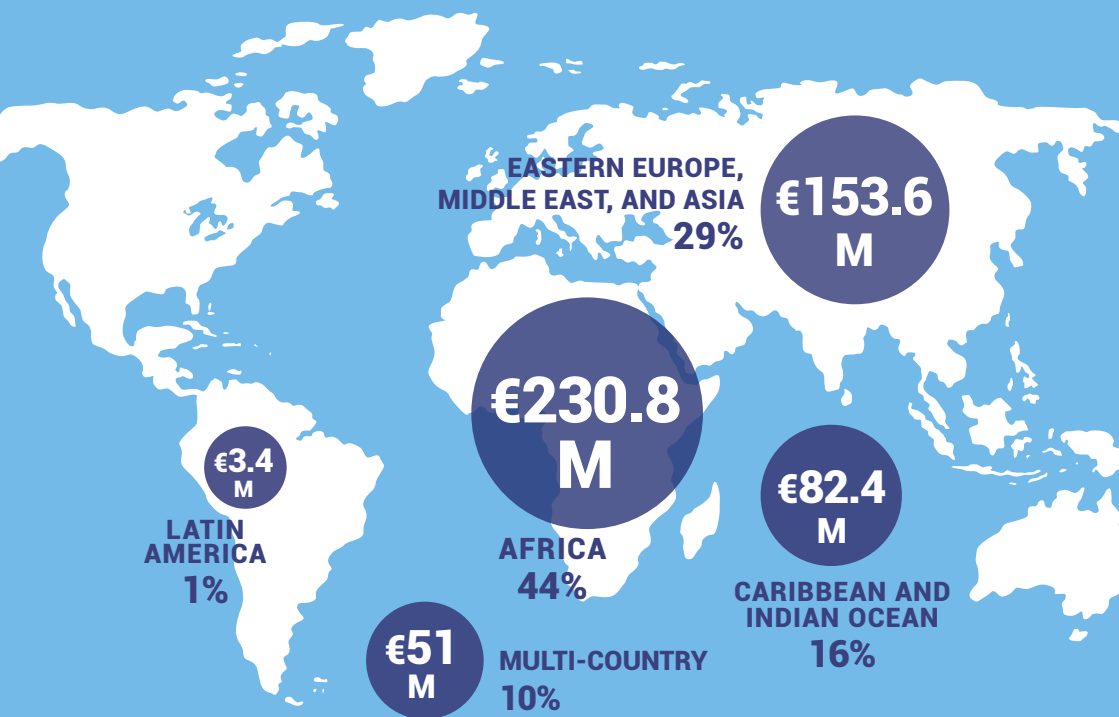
€522 M
committed
to governance³

93 
new
projects financed

More than
€8.2 BN
committed since 2016


Breakdown by region

In 2024, most of AFD's governance activity was in Africa.



AFD's governance-related commitments have a high percentage of co-benefits associated with AFD Group's strategic priorities:

62% of financing helps reduce gender inequalities

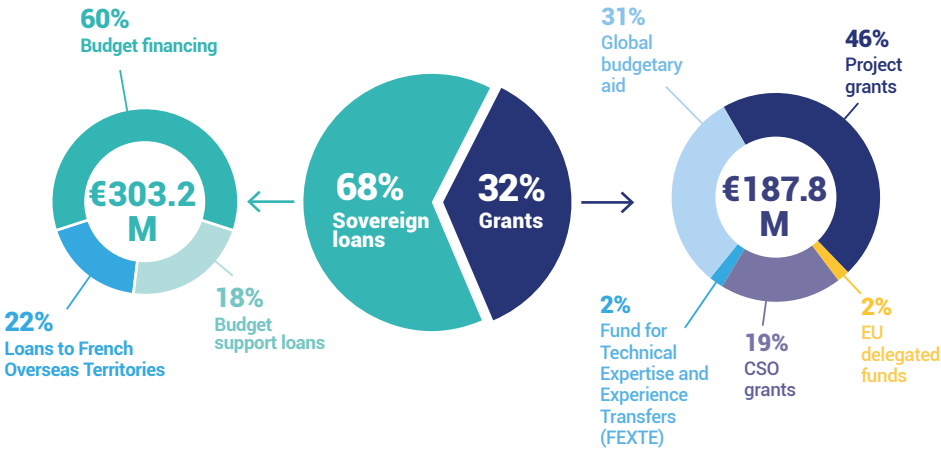

55% of financing supports participatory development and the good management of public affairs


² These figures relate to AFD only; for data on Expertise France, see page 11.

³ The decline in commitments seen in 2024 is associated with AFD ending its activities in the Sahel.

Breakdown by financial tool

In 2024, AFD was able to leverage its entire set of financial tools, in particular sovereign loans. Nearly half of these sovereign loans took the form of budget financing, which supports in-depth dialogue on public policies.



Evolution in commitments

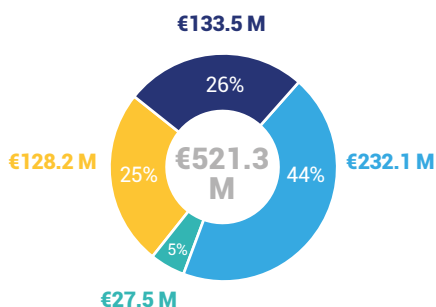


Areas of intervention

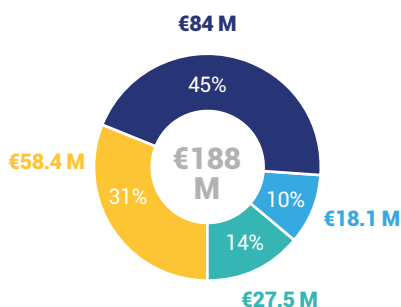


- Open and united societies
- Rule of law and responsible public action
- Sustainable development financing
- Macroeconomic stabilization and crisis response

**Breakdown of financing
(grants and loans) by category**



**Breakdown of grants
by category**



In its governance approach, AFD works with all stakeholders involved in managing and regulating resources, interests, and powers (States, civil society organizations, local authorities, communities, civic and professional collectives, and public and private companies).

Governance and climate

In 2024, AFD studied the role that governance can play in tackling climate change, managing its effects, and protecting ecosystems. Two research documents were published to provide resources for public policy dialogue and expand AFD's available services:



■ "How is climate action a matter of governance?"
– by Louise Guillon and Audrey Perraud



■ "Sustainable public procurement: A lever for achieving the Sustainable Development Goals" – by Hélène Ehrhart, Edyner Siribié, and Farid Yaker

Contributing to more open and united societies

Our ambition is to contribute to the development of fair, united societies that respect people's freedoms. To this end, AFD promotes the establishment of continuous dialogue between public authorities and citizens, transparent public action, open civic spaces, and the right to reliable information. It supports a social contract that protects individual freedoms, bolsters peace-building, and promotes safe, orderly, and regular migration that ensures respect for migrants' rights. Its activities help reduce multidimensional inequality (including gender disparities), address the causes of vulnerability related to forced migration, and foster peaceful coexistence. Given the growing importance of migration issues around the world, AFD Group has developed a specific action plan* on the topic of migration.

**See page 9 for details on the migration action plan*



Citizen participation and democratic processes



The media and the right to information



Inequality reduction, social cohesion, and migration governance

€134 M committed in 2024 for open and united societies that respect people's freedoms

Bangladesh, Colombia, Ethiopia, and Ukraine

Promoting women's participation in community-based crisis prevention and response.



The Women Lead in Emergencies project seeks to increase women's participation and leadership in conflict prevention, peace-building, and climate change resilience, in line with the Women, Peace, and Security Agenda. Four women's rights organizations will be supported to see through their peace-building, human security, and climate change resilience initiatives. At the community level, 78 women's groups will receive capacity-building on crisis prevention, personal safety, and increased civic engagement.



Grant (€7 M)

Strengthening the rule of law and public action

Our objective is to support effective, transparent, and accountable public action that serves the common good. To this end, AFD provides assistance to transform public administrations into competent, efficient, and responsible institutions that are able to ensure freedoms and rights are respected, implement public policies, and provide access to public services.

AFD's work focuses on central and devolved administrations as well as on local authorities and public services. It also supports inspection bodies (Court of Auditors, general and sectoral inspectorates) with the aim of addressing all of the public's needs through fair, quality services.



**The rule of law,
access to justice,
and respect for
human rights**



**Modern, reliable
public action that
aligns with local
and citizens' needs**



**Governance
and disaster risk
management**

€232 M committed in 2024 for responsible public action
and strengthening of the rule of law

Jordan

Modernizing the public sector



Jordan is working to create a more modern, transparent, and accountable public sector. Through a budget support loan, AFD is supporting the implementation of this ambitious reform program, which is especially focused on public services (digitalization and accessibility), planning aspects, public HR management, and increasing women's representation in the public sector. This loan will enable the launch of an online participation platform to gather the opinions of Jordanians about the reforms under way. The Ministry for Education will also receive support for its internal restructuring activities and efforts to modernize its HR management.



Budget support loan (€150 M)

Sustainable development financing

Our goal is to help States harness and allocate their resources in the best way to achieve fair and sustainable transitions. As the leading development investors, States act as catalysts in directing private sector activities toward more sustainable investments. Like diaspora investments, public financing is a major tool to fund transitions and help align the goals of promoting fair and united societies and tackling climate change. AFD's support is designed to enable states and local authorities to tap into, plan, mobilize, and manage their financial resources in order to meet long-term goals and achieve stronger fiscal sovereignty.

**Quantification
and budgeting
of transitions**



**Harnessing
of domestic
resources
and budget
execution**



**Channeling
of non-public
resources, including
from the private
sector and diasporas**

€28 M committed in 2024
for sustainable public finances



Migration and development

AFD Group expanded its commitments to support migration governance, mobilizing €730 M in AFD and EU funds between 2017 and 2024, including €130 M in 2024. Investments to prevent irregular migration, migrant smuggling and human trafficking, and assist with return efforts increased tenfold over 2023.

AFD Group's "Migration and Development" action plan lays out the Group's new strategy, in full alignment with the Joint Valletta Action Plan.⁴ This action plan is built around three key objectives:

- **Emphasize the benefits of migration for development**
- **Promote safe, orderly, and regular migration that ensures respect for migrants' human rights**
- **Reduce the vulnerabilities related to forced migration**

€130 M

invested in 2024 by AFD Group in the migration sector, including nearly €24 million to prevent irregular migration, support efforts to end migrant smuggling and human trafficking, and aid reintegration.

⁴ The Joint Valletta Action Plan (2015) lays out five priority domains to strengthen migration governance between Europe and Africa

Macroeconomic stabilization

At the request of the French government, AFD provides financing in response to major shocks (economic crises, droughts, conflicts, etc.). This financing, which is generally provided jointly with other donors, must be able to quickly provide the liquidity injections needed to stabilize a crisis situation.

€128 M committed in 2024 for crisis response and macroeconomic stabilization

Ethiopia

Supporting the economic reform program

With an annual growth rate of 10.8%, double the average of the rest of Sub-Saharan Africa, Ethiopia was experiencing strong economic growth until 2020. Growth has since slowed in the country, mainly due to the effects of the COVID pandemic, climate change, and internal conflict. To address the situation, the Ethiopian government announced its "Homegrown Economic Reform Agenda", which France has committed to supporting. This budgetary aid, combined with technical assistance, will be used to develop public-private partnerships, implement reforms in public companies, and support structural changes to the financial system.



Budget support grant (€25 M)

Technical assistance grant (€3.5 M)



Expertise France's governance activity

Expertise France is the AFD Group entity responsible for implementing technical cooperation projects that fall under the broad scope of governance: public financial management, migration, gender, human rights, justice, government reform and local governance, and disaster risk reduction.

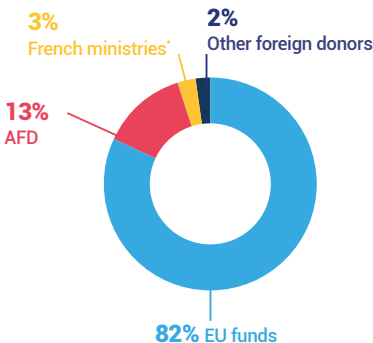
65%

of Expertise France's governance-related turnover was generated in Africa.

Over **800** organizations received capacity-building support in 2024 in democratic, economic, and financial governance, including 106 local authorities.

To carry out its work, Expertise France relies mainly on the French public ecosystem, which includes the central government (Public Finances Directorate General, Directorate General for Digital Affairs, Interministerial Directorate of Public Transformation, Ministry of Justice, Directorate General of Administration and Civil Service, Security and Defense Cooperation Directorate, etc.); inspection bodies (Court of Auditors, General Inspectorate of Finance, etc.); specialized schools (National School for the Judiciary, National Institute of Public Service); the National Assembly and the Senate; and French local authorities.

Source of the funds mobilized by Expertise France for projects signed in 2024



*Ministry for the Economy and Finance, Ministry for Europe and Foreign Affairs, Ministry for Armed Forces

Breakdown by area of projects signed in 2024 by Expertise France



In a reflection of reduced AFD commitments in governance between 2023 and 2024, Expertise France mainly mobilized EU funds.

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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