




Governance

ACTIVITY REPORT

2022



AFD finances governance projects in some 50 countries, mobilizing grants and loans with commitments totaling more than €6 billion.

This activity helps to fulfil Sustainable Development Goals (SDGs) 16 and 17, while contributing to the achievement of many other SDGs (5, 10, 11, 12, 13). In this way, our governance projects act as an aggregator, bringing more meaning to our activities in the field.

AFD now wishes to consolidate this portfolio by becoming more actively involved in cross-boundary issues (environmental and climate justice, disaster risk governance, climate governance, just transitions), enabling governance to make an ever greater contribution to the achievement of the global challenges of sustainability (tackling climate change, respecting biodiversity and addressing inequalities).

AFD's governance strategy

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

Four lines of action:



Sustainable public finance

Make public finance a tool for transitions and sustainable development



Macroeconomic stabilization

Provide emergency financing in response to economic, social, environmental and security crises



Rule of law and responsible public action

Ensure a secure legal environment for people and property and support an open and efficient State



Democracy and social cohesion

Enshrine the role of citizens in democratic processes and the involvement of everyone in community life

The Group approach

The integration of Expertise France in early 2022 has provided AFD Group with complementary tools to support all its partners.

With AFD financing, Expertise France mobilizes French public expertise to support the implementation of sustainable public policies.

Governance projects led
with Expertise France:

80 since
2016

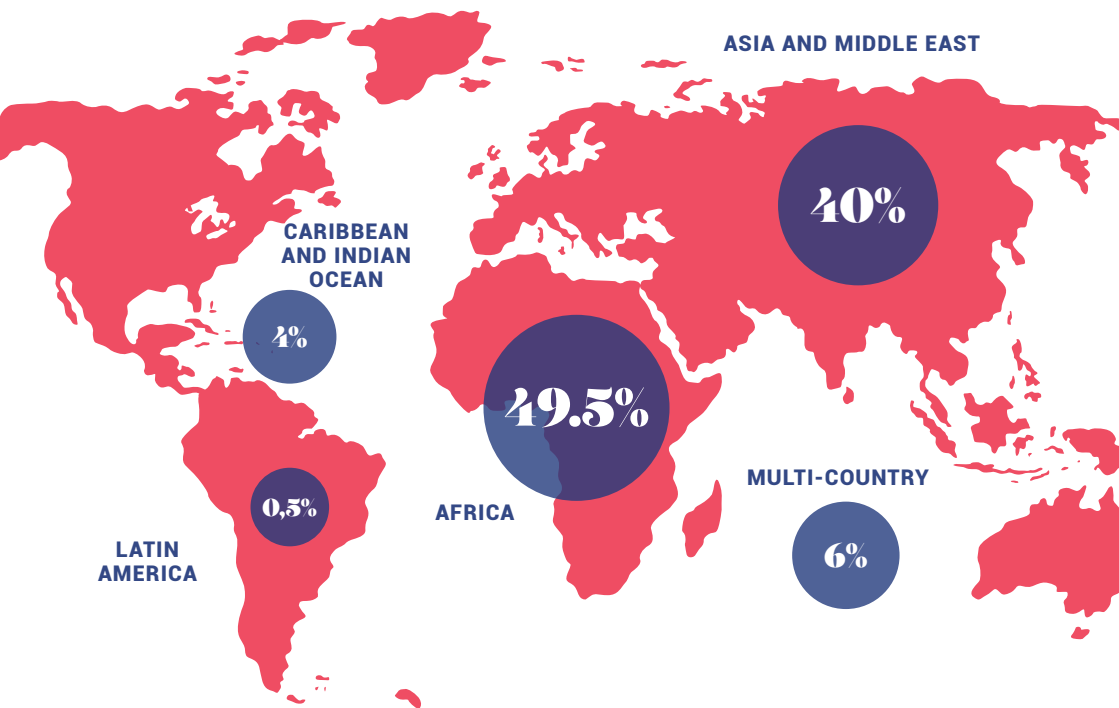
16 in
2022

Our governance activity in 2022

AFD's governance activity continued its growth in 2022, with more than €1 billion of new commitments.

€1.2 BN committed in the area of governance in 2022
or **10%** of AFD Group's commitments

Breakdown by region*



50%
of financing
devoted to Africa*

€177M

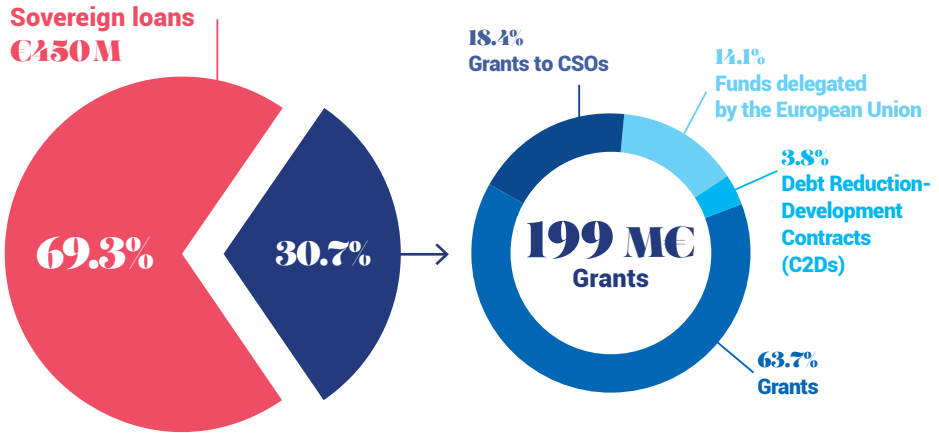
in grants in Africa, including €83 M in the Sahel for projects concerning civil protection, social cohesion, civic participation and youth involvement in public life

*The breakdown of commitments as a % does not include macroeconomic stabilization operations.

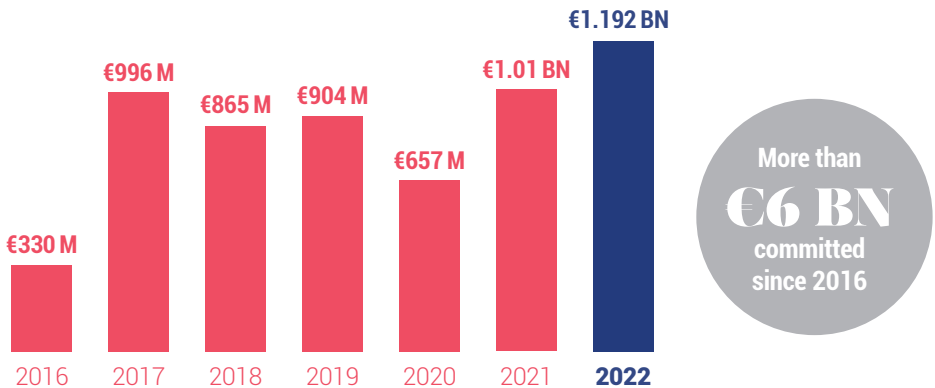
149 new projects financed in 2022

Breakdown by financial tool

(excluding macroeconomic stabilization operations)



Trend in commitments

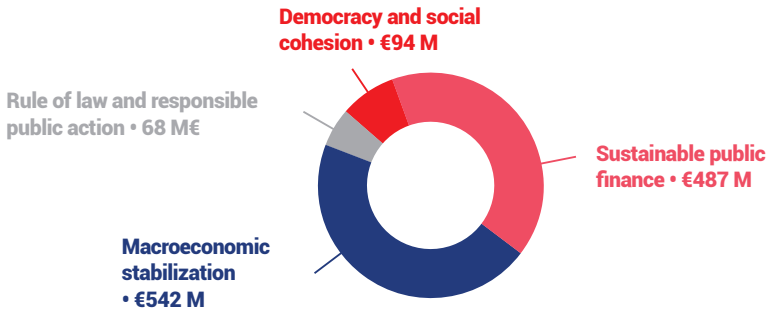


Thematic areas of operation

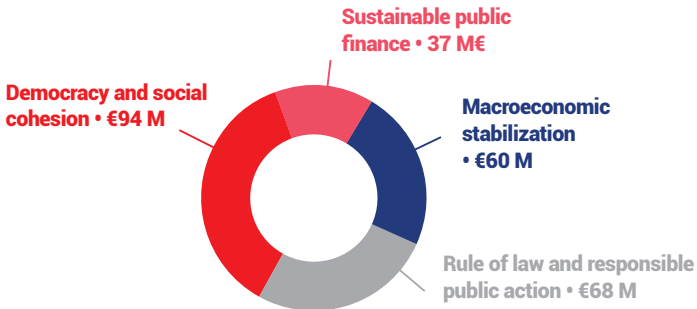
AFD wishes to go beyond a state-centric vision by working with all authorities and stakeholders involved in the management and regulation of resources (including local authorities, civil society organizations, communities, citizen and professional groups, and public and private companies).

In the area of governance, AFD mobilizes its full range of available grant and loan instruments. Our operations to support the rule of law, responsible public action, democracy and social cohesion account for the bulk of our grant financing.

Grants and loans



Grants



Sustainable public finance



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

€487M committed



Regions concerned:
Africa, Asia
and the Middle East



Beneficiaries: they include Ministries of Finance, supreme audit institutions, public procurement authorities, tax administrations and treasuries



Uzbekistan Green Economy Support Program

Uzbekistan is one of the most vulnerable countries to climate change. The country has therefore set out to implement a green economy policy, with AFD's support.

Between 2022 and 2026, AFD will finance three budget support loans which will be disbursed to the Uzbek Treasury depending on the progress achieved in the implementation of the green economy policy. In addition, a technical assistance program will help the authorities reinforce their competencies in environmental taxation, sustainable governance of public companies, green budgets, renewable energies, water management and biodiversity.

■ Loan (€150 M)

■ Grant (€1 M)

**Main SDGs
targeted by
the project**



Macroeconomic stabilization



At the request of the French State, AFD provides emergency financing in response to shocks (such as economic crises, droughts and conflicts). This financing rapidly injects the liquidity required to stabilize a crisis, generally jointly with other donors.

€542 M committed



Regions concerned:
Africa, Asia
and the Middle East,
Three Oceans (Atlantic,
Indian and Pacific)



Beneficiaries: Ministries of Finance



Ukraine Budget financing for macro-fiscal consolidation

The military invasion of Ukraine has seriously damaged the macroeconomic and financial stability of the country. It is now faced with a major recession and substantial reconstruction costs, amid a humanitarian, budgetary and balance of payments crisis.

At the request of the French State, AFD has allocated two budgetary loans to Ukraine to finance essential non-military expenditure (including salaries of civil servants in education and health, along with financing for social safety nets, food, medicine and medical equipment), to limit the economic and social impact of the conflict, and prepare the reconstruction of the country.

■ Loans (€300 M and €100 M)

Main SDGs targeted by the project



Rule of law and responsible public action



States are the primary actors of development, because they are responsible for delivering basic services and ensuring a peaceful, inclusive socio-economic environment. AFD supports access to justice and the respect of economic, social and environmental rights. It invests to modernize the functioning of the State and enable the nationwide deployment of essential public services.

€68M committed



Regions concerned:
Africa, Three Oceans



Beneficiaries: they include Ministries of Public Service, the Interior and Justice Ministries, prison administrations, national schools of administration and civil registration offices.



Haiti

Poto Mitan: developing inclusive and local access to public services

The situation in Haiti has deteriorated and is marked by weak public institutions, glaring inequalities and poverty affecting women in particular. Despite all this, there is a need to restore a real continuity of certain public services and a strong presence of civil servants among citizens.

With the Poto Mitan program, AFD is financing inclusive access to administrative services and the civil registry, while three million Haitians do not have legal identity. The project will strengthen administrative services and civic involvement to improve the quality of services and restore a relationship of trust between the administration and the population.

■ Grant (€8.5 M)

Main SDGs targeted by the project



To find out more

Democracy and social cohesion



AFD helps establish a constructive dialogue between public institutions and civil society by supporting the transformation of stakeholders. It finances the establishment of appropriate transparency and accountability mechanisms in order to (re)build trust between people, States and institutions. AFD works to make migration an important part of development. It supports efforts to tackle inequalities and discrimination, targeting gender equality and the territory of origin (migrant populations).

€94 M committed



Regions concerned:
Africa, Asia and
the Middle East,
Latin America,
Three Oceans



Beneficiaries: they include Ministries
of Women's Rights, Foreign Affairs
and Good Governance, local, French
and international CSOs,
and independent media



Senegal Youth and Citizenship (Yaakaar Engagement)

42% of Senegal's population is aged under 15 and two-thirds are under 25 years old.

AFD is financing the program called Yaakaar ("hope" in Wolof), designed by the *Consortium Jeunesse Sénégal*, which aims to structure a public and voluntary ecosystem for the socio-economic integration of young people. It will strengthen the involvement and civic engagement of young people in public and community life and address territorial, generational and gender inequalities. By helping build the capacities of some 300 CSOs across the country, the project is supporting a process aimed at consolidating Senegalese civil society.

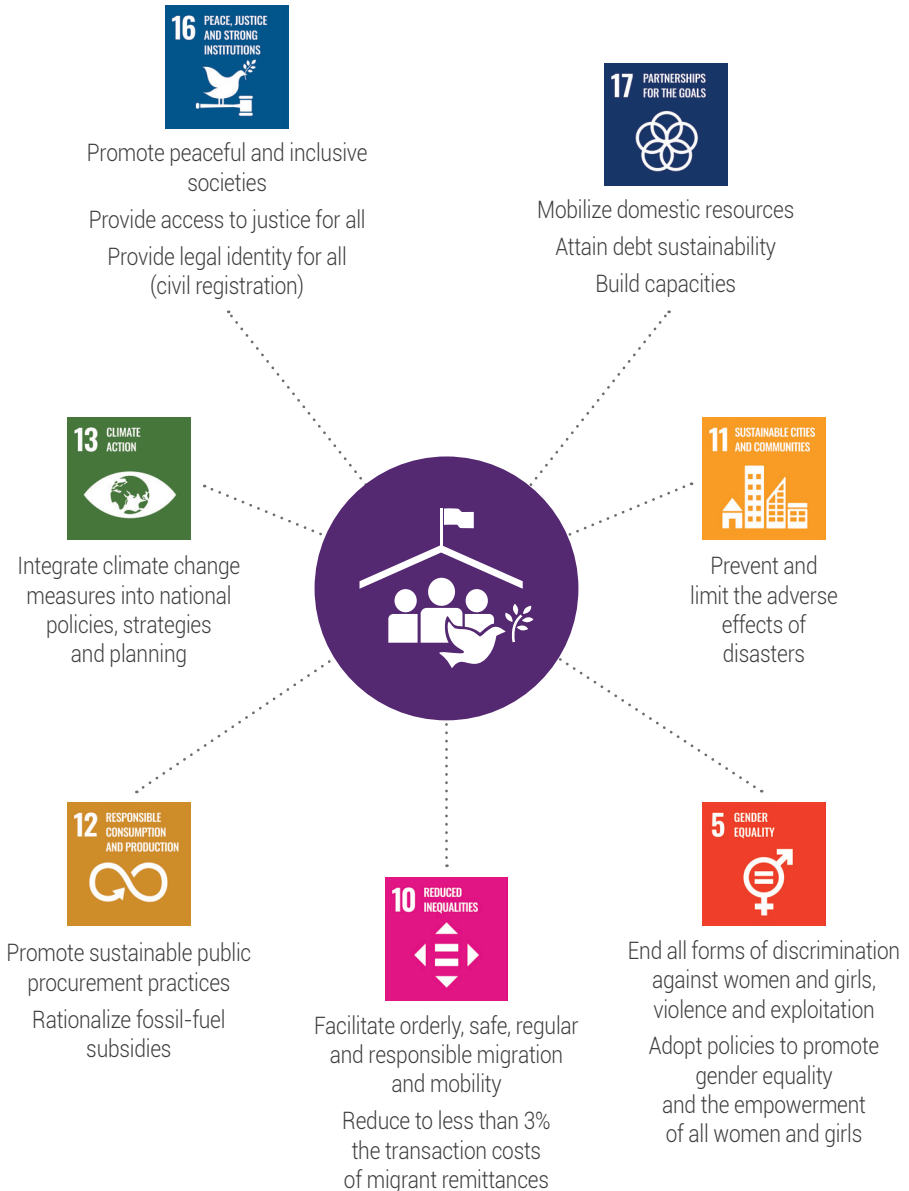
■ Grant (€8 M)

**Main SDGs
targeted by
the project**



**To find out
more**

Contributions to the Sustainable Development Goals (SDGs)



Towards a world in common

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

With our partners, we are building shared solutions with and for the people of the Global South. Our teams are at work on more than 3,250 projects in the field, in the French Overseas Departments and Territories, in 115 countries and in regions in crisis. We strive to protect global public goods – promoting a stable climate, biodiversity and peace, as well as gender equality, education and healthcare. In this way, we contribute to the commitment of France and the French people to achieve the Sustainable Development Goals (SDGs). Towards a world in common.



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