



RÉPUBLIQUE
FRANÇAISE

*Liberté
Égalité
Fraternité*



Sustainable Development Goals

BOND REPORTING



2020

#WorldInCommon

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A word from our CEO



Rémy RIOUX
Chief Executive Officer
Agence française de développement
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2020 was marked by an international health crisis resulting in a triple ecological, social and economic crisis, highlighting the issue of development trajectories with unprecedented clarity. In this regard, President Macron reminded us of the necessity of building a “new model for growth and prosperity” by placing the issue of financing at the top of the international agenda. The organisation and hosting of the Finance in Common Summit (FICS) and the Summit on Financing African Economies in fall 2020 and spring 2021, respectively, are a testament to these issues being a priority and confirm Paris’s position as the capital of solutions for sustainable development.

In this regard, the world’s 450 development banks, which all met together for the first time at the FICS, play an essential role in promoting and implementing this change by supporting governments, civil society and private sector players eager to take on environmental, economic and social challenges. With €2,300 billion in investments each year – that is, 10% of the amounts committed by both public and private players – these institutions are also in a position to accelerate the reorientation of financial systems, in particular by mobilising private funding in support of the Paris Agreement and the Sustainable Development Goals (SDGs).

In this context, I am proud that Agence Française de Développement Group (AFD), in its capacity as France’s international public development bank, contributes to implementing our country’s ambition to support sustainable and solidary financing by playing its role in establishing the best market standards. This was the meaning of the bond issuance framework aligned with the SDGs put in place in October 2020, and which followed up on the climate bond framework, in line with our dual “100% Paris Agreement” and “100% Social Link” strategy.

On that occasion, you renewed your show of confidence by allowing us to launch a record making €2 billion SDG-themed bond issue, and for this I wish to extend to you my gratitude. In total, theme-based borrowings represented 30% of the volume of all issues – i.e., €3 billion – realised in 2020. Buoyed by these very encouraging results, we will pursue our efforts at increasing the share of issuances falling within the SDG framework, in line with the French development policy we have the honour of carrying out, for a world in common.

Sustainable development: at the heart of the AFD Group

NEW-CALEDONIA
© Marc Le Chelard / AFD

The Agence Française de Développement (AFD) group finances and supports transitions in all territories where it operates in order to create a fairer and more sustainable world. AFD implements the priorities defined by the French government in the field of development policy, in accordance with France's international commitments, within the reference framework defined by the 2030 Agenda on sustainable development and by the Paris Climate Agreement.

The AFD Group's mission is to contribute to the achievement of the 17 objectives of the 2030 Agenda by supporting six transitions: demographic and social, energy, regional and ecological, economic and financial, political and civic. The Group assures itself that its actions in the geographic and sectorial environments in which it operates are well-founded and conducts regular impact and results assessments.

AFD funds and supports development projects and programmes that contribute to direct and indirect job creation and to regional development in its countries of operation. AFD calculates result indicators for measuring and providing a summarised report on the impact of its on-the-ground activities aimed at developing the locations it operates in and the populations benefiting from the projects funded, and, more generally, the impact of its work on the SDGs.

In order to ensure that sustainable development issues are taken into account in funded projects, and to guarantee they are consistent with adopted strategies, in 2014, AFD began to use a “Sustainable Development Analysis and Opinion” tool. This system consists of an analysis conducted by the Operations Department project team during project appraisal, providing the means to assess the expected effects (positive, neutral or negative) on each dimension of sustainable development, and of a sustainable development opinion given by the Strategy Department. For its part, Proparco has had a dedicated department since 2018 providing support for sustainable development. This department brings together, in three units, Proparco’s experts in the areas of:

- environment, social and governance issues;
- impact monitoring and analysis;
- company support and the mobilisation of mix resources.

The strategic impact objectives prioritised by Proparco are linked to the number of jobs supported, the number of tonnes of CO₂ avoided, and access to essential services or goods (education, healthcare, electricity, water and sanitation, financial inclusion). Proparco seeks to reinforce the mobilisation of private players in order to direct private financing flows to sustainable development objectives.

These main objectives are accompanied by operational priorities that contribute to the AFD Group’s strategic orientations: climate finance, financial inclusion, VSE and SME financing, the African continent, and a voluntaristic approach in fragile areas.

AFD Group incorporates corporate social responsibility into its governance system and its activities. As such, it takes measures to assess and manage the environmental and social risks (E&S) of the operations it funds. AFD implements procedures to identify, prevent or mitigate environmental and social damages, as well as human rights violations that are likely to arise from these activities. The environmental and social assessment applies

to all stages of the project cycle, from identification to approval of funding, and ex post monitoring and assessments.

This approach is supplemented by two systems for handling environmental and social complaints, for AFD and for Proparco respectively. These systems make it possible to envisage a remedy when it has not been possible to avoid,

reduce or compensate for harmful or unexpected environmental and social impacts by means of the E&S management plans in the projects funded by AFD or by Proparco.

The alignment between the AFD Group’s missions, its social responsibility policy and its pursuit of excellence in its non-financial performance was recognised in 2019 at the time of the Vigeo-Eiris rating. The overall ESG score obtained in this assessment was 74/100, corresponding to advanced performance, and making AFD one of the institutions with the highest score in its sector. This strong performance was confirmed during the simplified review procedure carried out by Vigeo-Eiris in 2020.

The theme-based issuance framework¹



After having first defined a climate bond framework in 2017, in 2020, the AFD Group prepared an issuance Framework that is aligned with Sustainable Development Goals (SDG). This Framework was prepared in accordance with the International Capital Market Association's (ICMA) Green Bond Principles², Social Bond Principles³ and Sustainability Bond Guidelines⁴. Thus, for each SDG Bond issuance, AFD commits to complying with the following four fundamental principles:

- Use of proceeds;
- Process for project evaluation and selection;
- Management of proceeds;
- Reporting.

The SDG Bond Framework was reviewed by Vigeo⁵, which awarded it an "Advanced" rating and qualified the Framework as being in line with "best practices".

Under the SDG Bond Framework, the AFD Group may issue SDG bonds ("SDG Bonds") in various formats:

- **Climate bonds** (100% of the proceeds raised are allocated to "climate" categories in keeping with the AFD's previous Climate Bond Framework);
- **Social bonds** (100% of the proceeds raised are allocated exclusively to social categories in accordance with the Social Bond Principles);
- **Sustainable bonds** (100% of the proceeds raised are allocated to the eligible categories defined in the Green Bond Principles and/or the Social Bond Principles).

TAKING SUSTAINABLE DEVELOPMENT GOALS INTO ACCOUNT SITS AT THE HEART OF THE SELECTION CRITERIA THAT APPLY TO THE PROJECTS, WHICH MUST SATISFY THE THREE FOLLOWING CONDITIONS:

- 1/ **Contribute to at least one Sustainable Development Goal other than SDGs 1 and 17, respond to one of the six transitions in the AFD Group's strategic plan, and fall under one of the eligible categories under ICMA's SBP/GBP/SBG.**

¹ The link to the SDG Bond Framework is available [here](#)

² ICMA's 2018 Green Bond Principles are available [here](#)

³ ICMA's 2020 Social Bond Principles are available [here](#)

⁴ ICMA's 2018 Sustainability Bond are available [here](#)

⁵ Link to the Second Party Opinion available [here](#)

2/ Comply with at least one of the three technical and theme-based eligibility criteria:

a. Theme-based: depending on the intrinsic nature of the activities/projects

The AFD Group’s loans dedicated to eligible activities or fields of action are described in the SDG Bond Framework, and in line with the GBP/SBP eligible categories. It should be noted that budget programme loans examined according to the same principles as “project” loans are also included. Certain loans can be accounted for as adaptation loans according to the methodology described on page 26 of the framework using the “Common principles for adaptation finance accounting”. The adaptation projects that are selected are comprehensively disclosed in the annual report.

b. Climate performance⁶ eligibility: according to the mitigation project’s climate performance

Mitigation loans dedicated to projects are eligible if they satisfy minimum technical performance conditions:

- A minimum amount of reduction or avoidance of relative CO₂eq emissions (namely, more than 10,000 tons CO₂eq/year compared to the baseline case without the project) or, exclusively with respect to public policy budget financing, indicators leading to a reduction in greenhouse gas emissions compared to the baseline, which is defined as the pre-project situation.
- Regarding energy efficiency projects pertaining to buildings (residential, educational, healthcare, industrial, cultural, commercial, offices, etc.):
 - improvement in energy and environmental performance compared to the baseline situation(defined as the pre-project situation);
 - for new construction projects, reductions as compared to a recent counterfactual building or a theoretical baseline scenario (EDGE, for example) must be demonstrated. These reductions must be of at least 20% in greenhouse gas emissions, 20% in energy consumption and/or 20% in water consumption (2 out of the 3 conditions are required).

Regarding mitigation projects, climate eligibility refers to the criteria of AFD’s previous Climate Bond Framework. Climate bonds previously issued by AFD are therefore eligible for the new SDG Bond Framework.

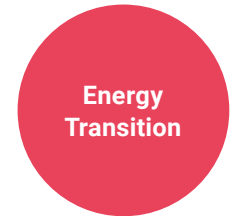
c. Transformation eligibility: disbursements under loans are conditional on achieving sustainable development results

Public policy loans or credit lines (known as “Transformation” loans) are eligible if they include a results-based approach. An indicators matrix is therefore defined so that the evolution of these loans can be monitored.

3/ Take into account the inter-relationships between the SDGs, through the sustainable development analysis for AFD loans and the impact rating for Proparco loans.

The AFD Group reasons in terms of eligible project portfolios that are backed by a dedicated issue portfolio. An amount equal to the net proceeds of the SDG Bond portfolio will back a portfolio of newly eligible loans. The Group will maintain a safety cushion to ensure that the net proceeds of the SDG Bonds never exceed the amount of the eligible loan portfolio.

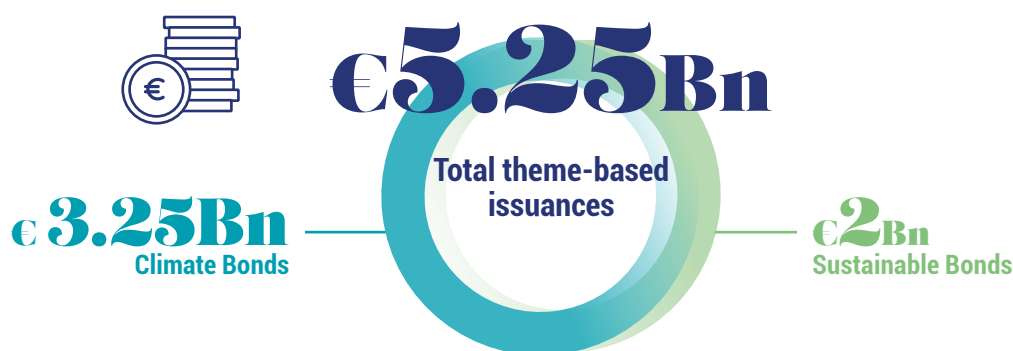
⁶ Details about climate accounting in the context of the issuance can be found [on page 31 of the Framework](#)



Asset/Liability matching and details about the asset portfolio

This report relates to data as at 31/12/2020. The items provided for by the Framework were reviewed by KPMG as an Independent Third Party⁷. Column totals in the tables may differ slightly from the sum of the lines included in those columns due to rounding.

► The SDG Bond issuances



Type	ISIN	Issue date	Maturity	Currency	Amont	Coupon
Climate Bonds	XS1111084718	17/09/2014	17/09/2024	€	1Bn	1.38%
	FR0013296373	15/11/2017	15/11/2023	€	750M	0.13%
	FR0013365376	10/09/2018	31/10/2025	€	500M	0.50%
	FR0013483526	10/02/2020	25/03/2025	€	1Bn	0%
Sustainable Bonds	FR0014000AU2	28/10/2020	28/10/2027	€	2Bn	0%

► Asset portfolios

As at 31 December 2020, the asset portfolio was composed of **322 loans** representing an aggregate outstanding amount of **€8.67Bn** out of a **total commitment of €14.12Bn**.

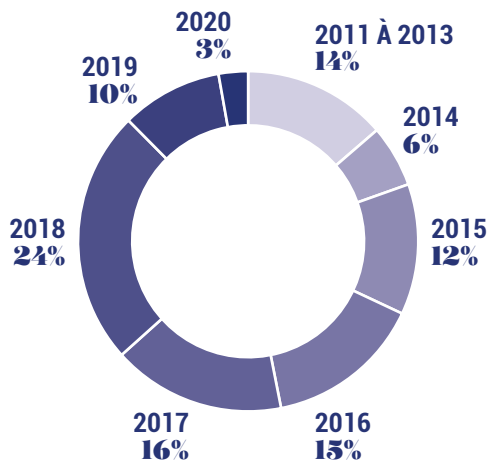
Type	Number of projects	Outstanding	Commitment	Co-financing
Climate	165	€4.54Bn	€7.65Bn	€22.46Bn
Sustainable	157	€4.13Bn	€6.47Bn	€8.69Bn
TOTAL	322	€8.67Bn	€14.12Bn	€31.15Bn

⁷ See KPMG letter (in french only), available here

► Increase in outstandings

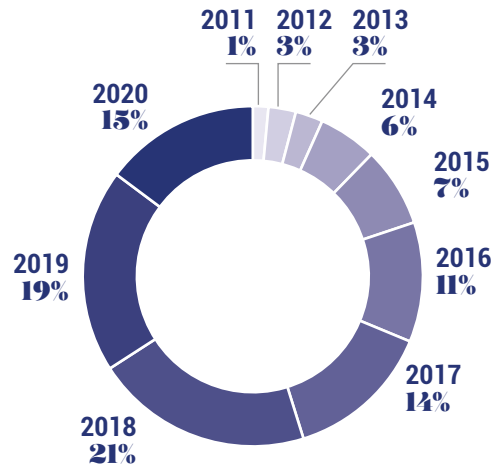
The AFD Group's business model consists of supporting its partners with an eye to sustainable development. The project disbursement period can therefore last several years. The loans have long maturities, up to 25 years, and repayment begins within 10 years at the latest. Beneficiaries benefit from a disbursement period of up to seven years.

Projects per signature year



37% of the 322 loans have been signed since 2018

Disbursement dynamic



55% of the loans have been disbursed since 2018



BANGLADESH
© Ashish Peter Gomes / AFD

Allocation of asset portfolio



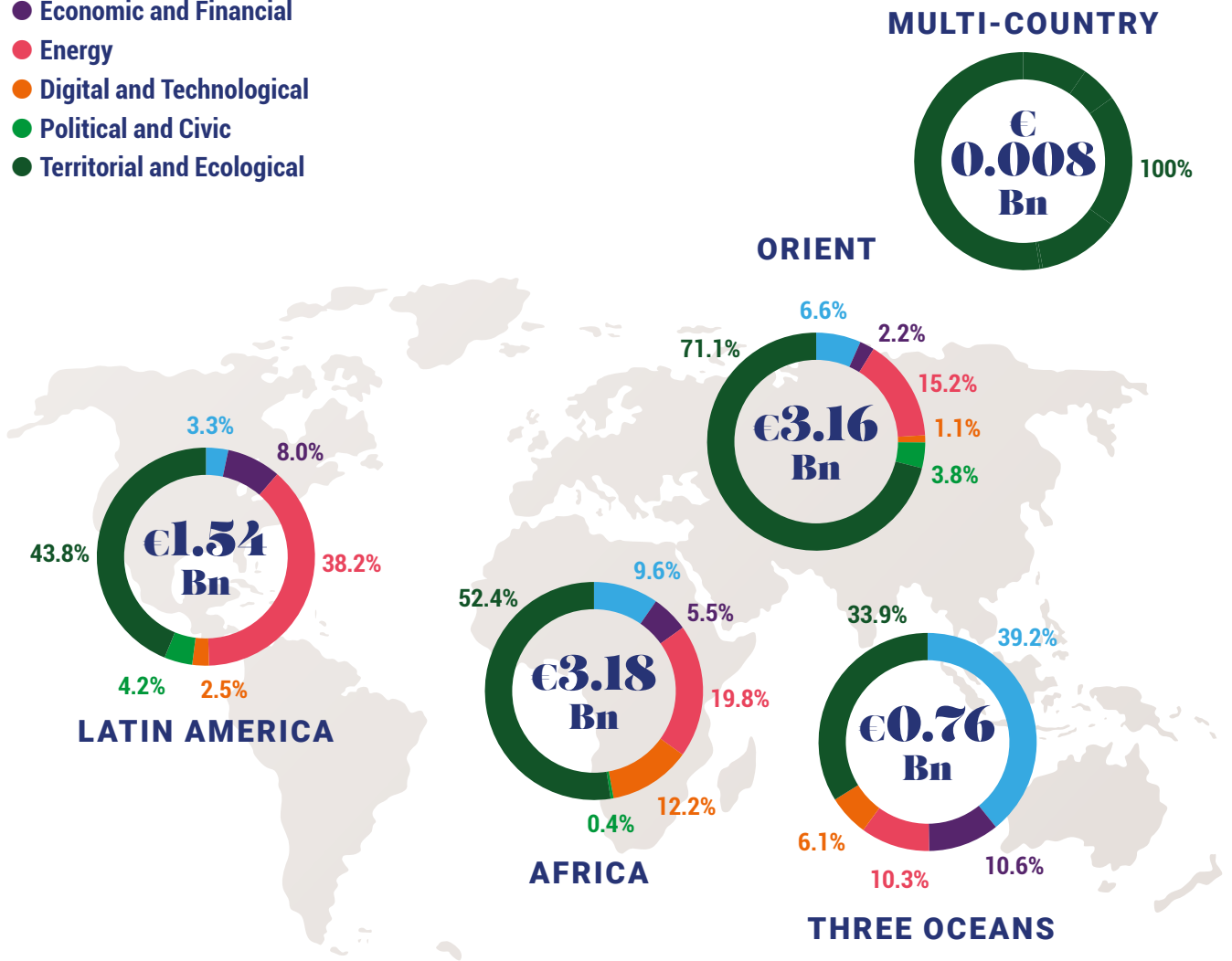
► By transition and geographic area of intervention⁸

2020 outstandings (in euros)

Transitions	Theme-based eligibility	Africa	Latin America	Multi-Country	Three Oceans	Orient	General total
Demographic and Social	Education and professional training	164,776,268	4,084,865			109,925,489	278,786,622
	Infrastructure and urban development		47,162,483			30,563,143	77,725,626
	Health	136,261,171			300,000,000	70,000,000	506,261,171
	Productive systems	5,633,027					5,633,027
Economic and Financial	Productive systems	175,641,427	124,240,335		80,698,658	69,086,128	449,666,548
Energy	Energy efficiency				8,032,809		8,032,809
	Renewable energies	276,111	3,669,433		37,048,863		40,994,407
	Infrastructure and urban development	630,058,979	586,643,278		33,338,386	482,533,420	1,732,574,063
Digital and Technological	Financial services and systems	6,000,000					6,000,000
	Productive systems	383,084,043	38,155,778		46,673,519	33,437,500	501,350,841
Political and Civic	Energy efficiency		48,026,668			120,000,000	168,026,668
	Infrastructure and urban development	13,697,512	16,354,567				30 052 079
Territorial and Ecological	Water and sanitation	444,644,414	204,325,131		16,376,807	259,269,065	924,615,417
	Infrastructure and urban development	1,209,644,407	472,888,668	7,619,048	229,842,835	1,991,573,778	3,911,568,736
	Productive systems	17,142,907			12,677,662		29,820,570

⁸ AFD's four operating regions as defined in the 2020 Universal registration document on pages 6 and 7

- Demographic and Social
- Economic and Financial
- Energy
- Digital and Technological
- Political and Civic
- Territorial and Ecological



TANZANIA
© Kibuuka Mukisa Oscar / AFD

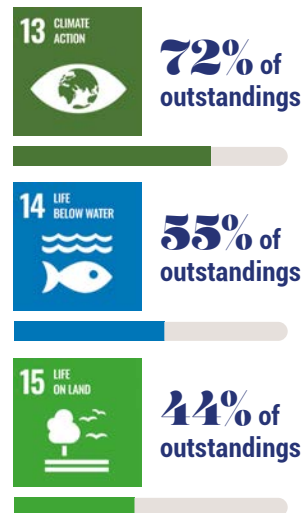
► By contribution to the Sustainable Development Goals

The AFD Group measures the contribution of its financial commitments to the SDG through correlation tables regarding:

- The OECD Development Assistance Committee's (CAD) sector code;
- Indicator targets that can be aggregated.

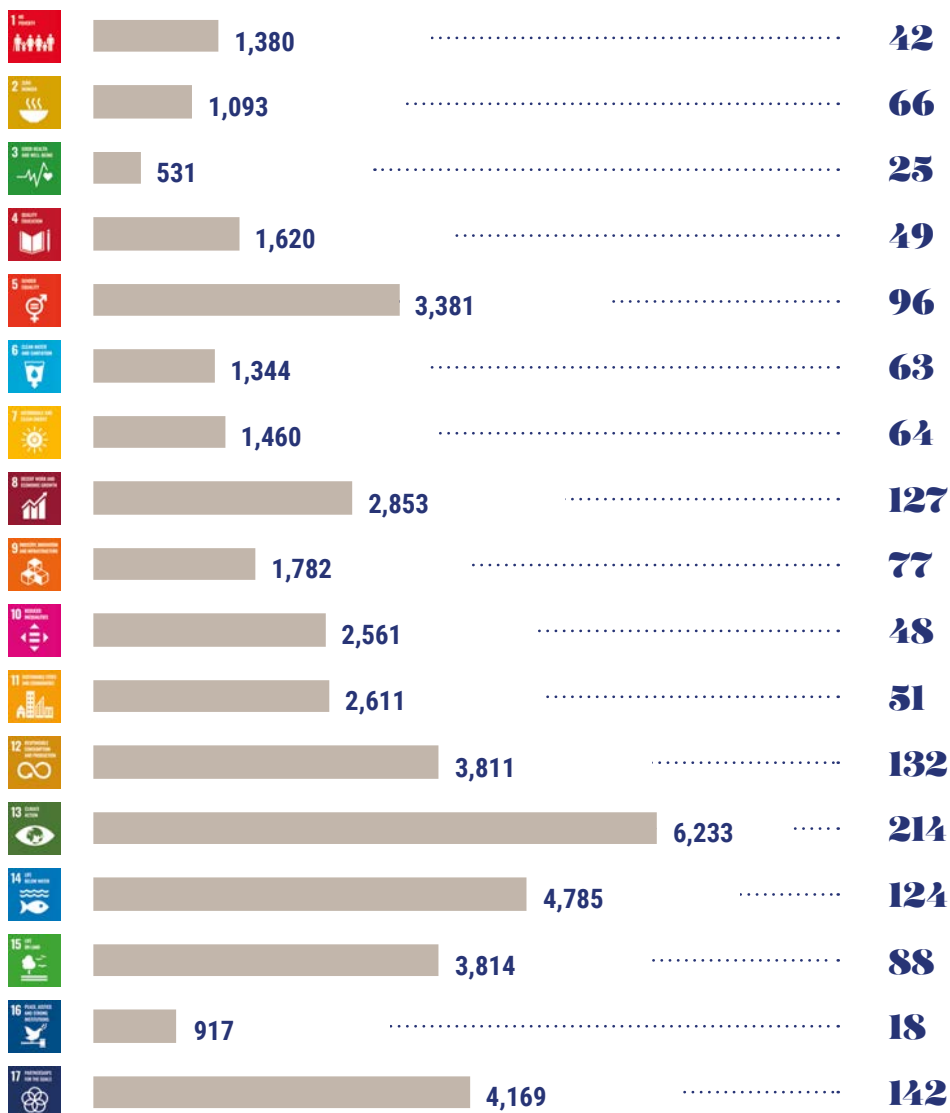
Each loan can contribute to several sustainable development goals.

In terms of outstandings, loans backed by bond issuances contribute in particular to SDGs 13, 14 and 15.

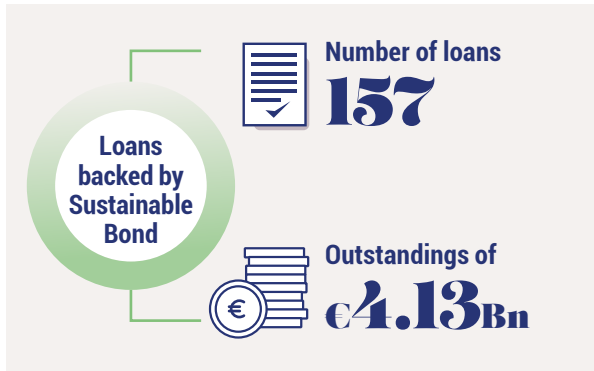


SDG split by Outstandings (in million euros)

and by number of loans

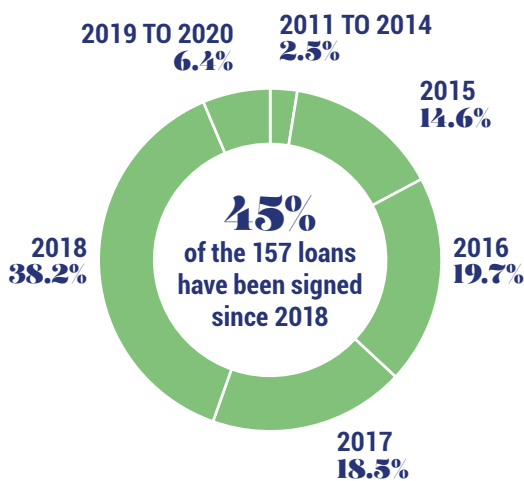


Assets backed by Sustainable Bond issues

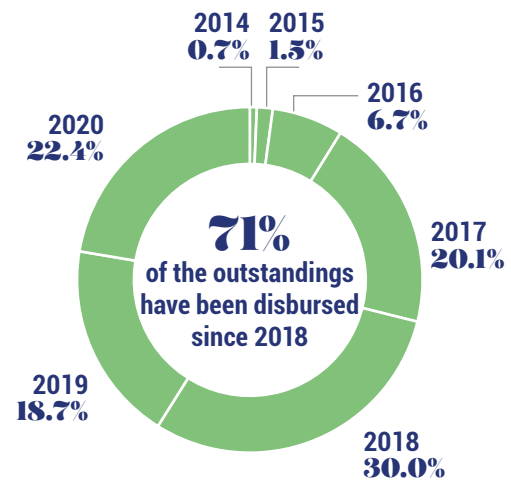


Distribution	Number of loans	Outstanding
AFD	122	€3,669,195,188
Proparco	35	€45,429,472

Projects per signature year

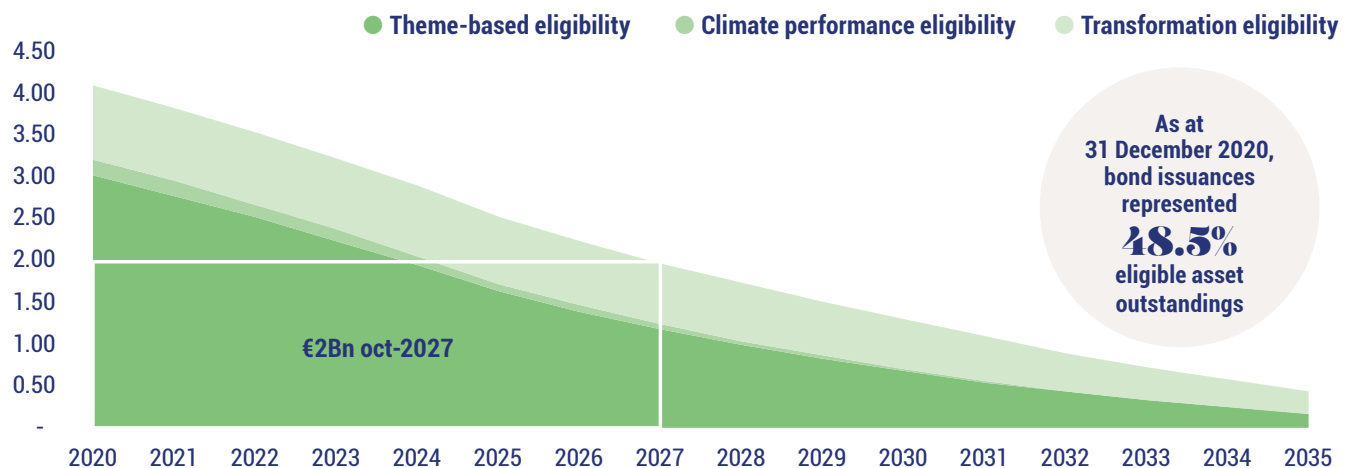


Disbursement dynamic



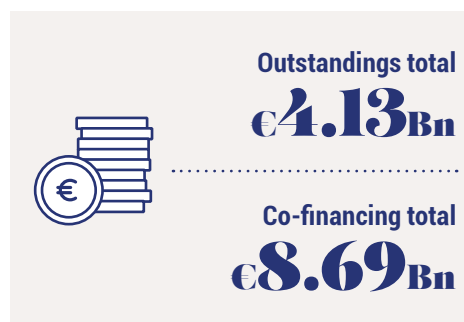
Projected view of the asset pool and bond issuances

Asset and liability flows (in billion euros)



► Distribution of the loans outstanding by Transition and the co-financing of projects with other funders

Transitions	Outstandings	Co-financing
Demographic and Social	837,843,303	85,947,900
Economic and Financial	411,166,456	230,000,000
Energy	367,539,026	87,700,000
Digital and Technological	422,521,543	1,393,550,000
Politics and Civics	198,078,746	374,600,000
Territorial and Ecological	1,889,475,586	6,518,906,619

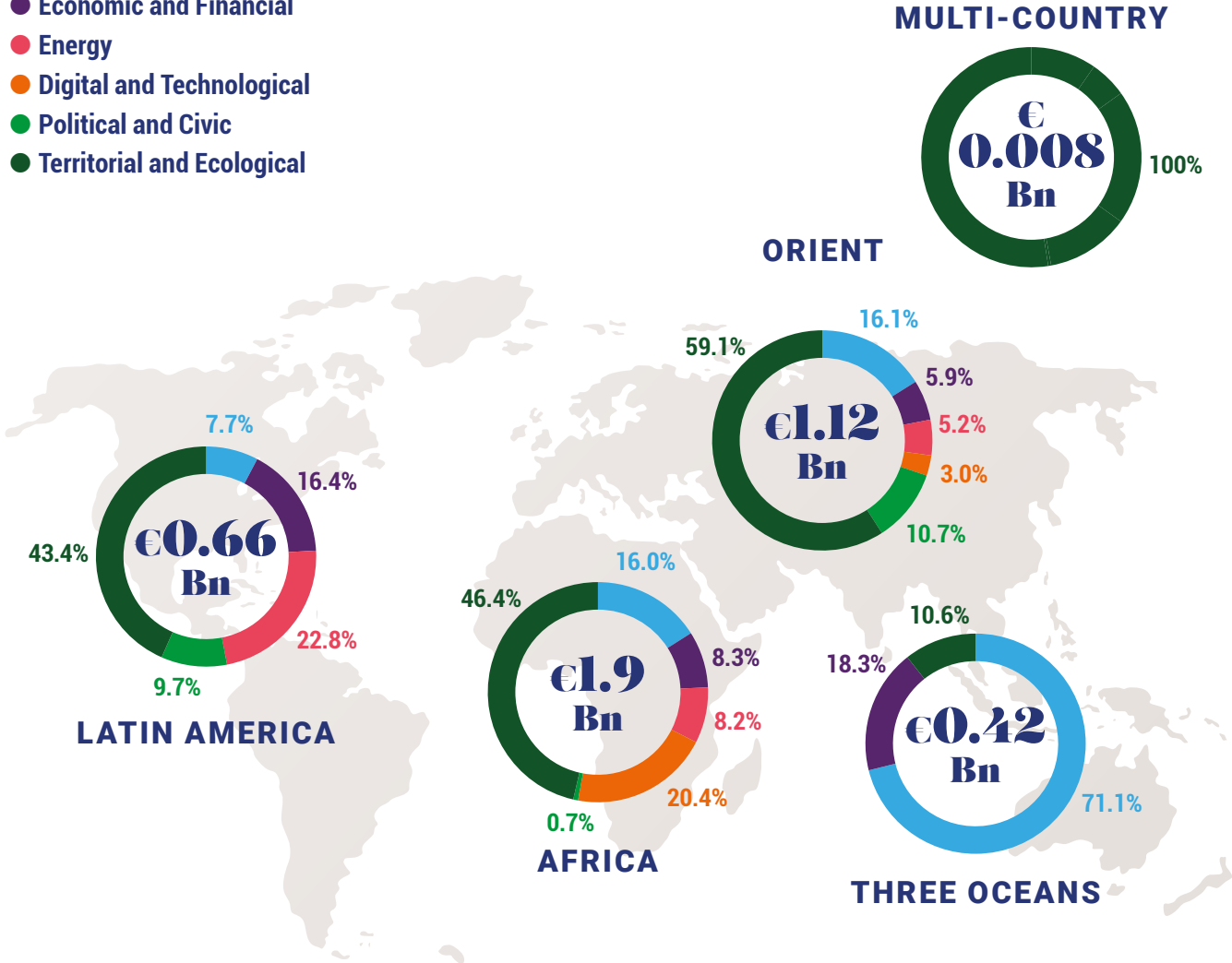


► Distribution of Transitions by geographic area of intervention

2020 outstandings (in euros)

Transitions	Theme-based eligibility	Africa	Latin America	Multi-Country	Three Oceans	Orient	General total
Demographic and Social	Education and professional training	164,776,268	4,084,865			109,925,489	278,786,622
	Infrastructure and urban development		47,162,483				47,162,483
	Health	136,261,171			300,000,000	70,000,000	506,261,171
	Productive systems	5,633,027					5,633,027
Economic and Financial	Productive systems	158,593,613	109,484,773		77,004,369	66,083,702	411,166,456
Energy	Infrastructure and urban development	157,286,253	151,843,605			58,409,168	367,539,026
Digital and Technological	Financial services and systems	6,000,000					6,000,000
	Productive systems	383,084,043				33,437,500	416,521,543
Politics and Civics	Energy efficiency		48,026,668			120,000,000	168,026,668
	Infrastructure and urban development	13,697,512	16,354,567				30,052,079
Territorial and Ecology	Water and sanitation	265,305,840	204,325,131		16,376,807	185,835,805	671,843,583
	Infrastructure and urban development	603,898,741	84,572,130	7,619,048	15,820,280	475,901,234	1,187,811,433
	Productive systems	17,142,907				12,677,662	29,820,570

- Demographic and Social
- Economic and Financial
- Energy
- Digital and Technological
- Political and Civic
- Territorial and Ecological



GHANA
© Wilfried Antoine Desveaux / AFD

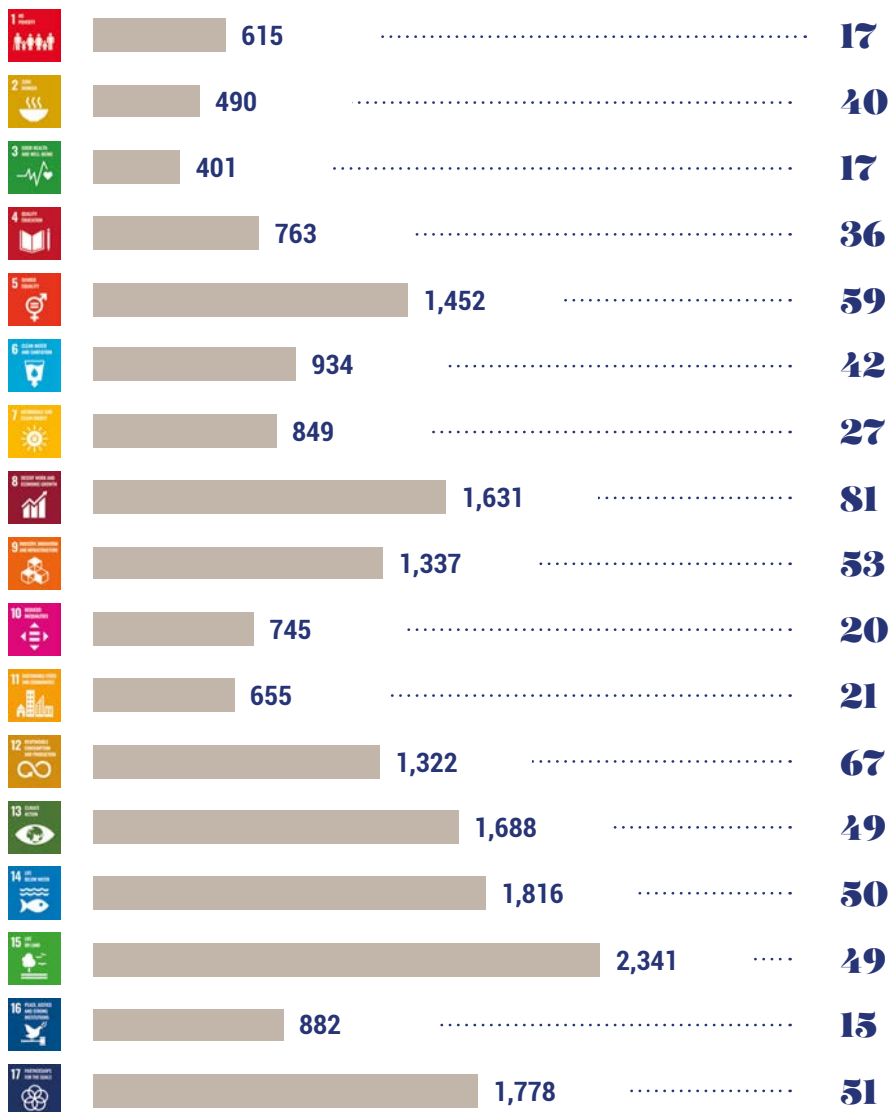
► Contribution to the Sustainable Development Goals

In terms of outstandings, loans in the Sustainable asset portfolio particularly contribute to SDG 8, 13, 14 and 15.



SDG split by Outstandings (in million euros)

and by number of loans



A few concrete results

- Access to potable water for 12.5 million people
- Protection or restoration of 580 thousand hectares of natural areas
- 4.7 million girls newly enrolled in school
- Improved quality of life in urban settings for 10 million people
- Improved health care access for 15.8 million people
- Better access to electricity for 7.8 million people

► Inter-relationships between sustainable development goals

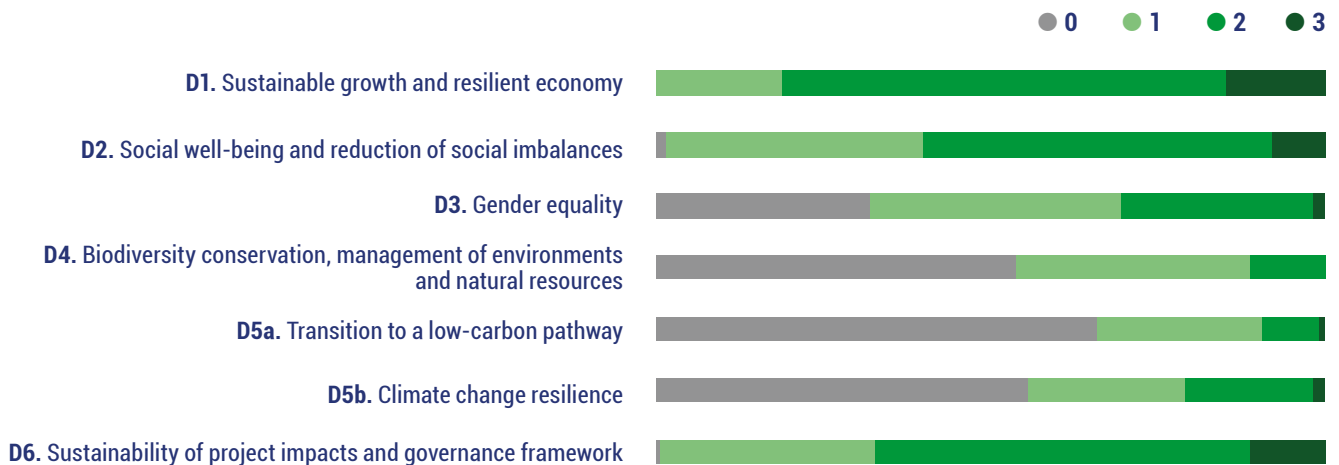
1. AFD LOANS AGENCE FRANÇAISE DE DÉVELOPPEMENT

The “Sustainable Development Analysis and Opinion mechanism”⁹ put in place for AFD financings starting in 2014 seeks to take into account sustainable development challenges transversally. **The projects’ anticipated impacts are measured across six sustainable development dimensions that contribute to the SDGs:**

- | | | | |
|---|---|---|--|
|  | Sustainable Growth and Resilient Economy |  | Conservation of Biodiversity, Management of Environments and Natural Resources |
|  | Social Well-Being and Reduction of Social Imbalance |  | Fight Against Climate Change and its Impacts |
|  | Gender Equality |  | Sustainability of Project Impacts and Governance Framework |

Distribution of scores by dimension arising from the sustainable development analysis with respect to AFD projects backed by Sustainable Bonds

81% of the projects were evaluated as having a significant to structuring impact (scores 2 and 3, respectively) on the Sustainable Growth and Resilient Economy dimension. 60% were evaluated as having a significant to structuring impact on the Social Well-Being and Reduction of Social Imbalances dimension.



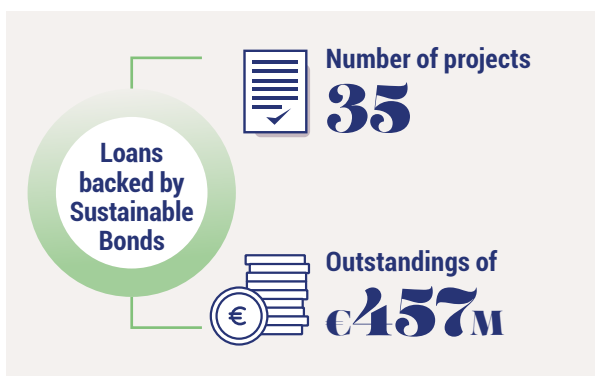
44% of loans have positive interactions among economic, social and environmental dimension.

Out of the 115 projects backed by the Sustainable Bond issuance and that were subject to a sustainable development analysis at the time of the assessment, 51 had positive interactions among economic, social and environmental dimensions. 24 loans had a significant impact (score 2) on both social dimensions (Social Well-Being and Reduction of Social Imbalances / Gender Equality) and on one of the environmental dimensions (Conservation of Biodiversity, Management of Environments and Natural Resources / Fight Against Climate Change).

⁹ The Sustainable Development Analysis and Opinion mechanism is described in the loan identification and selection process section of the [SDG Bond Framework](#), p. 47

2. **PROPARCO LOANS** GROUPE AFD

Proparco carries out a socio-economic, environmental and climate impact assessment when evaluating its transactions. The anticipated impacts are grouped together into an aggregated score (called "DEV") ranging from 1 to 6, with 1 being the best score.



Répartition	Number of projects	Outstandings
DEV1	16	€181,672,280
DEV2	19	€275,757,193



COLOMBIA
© Esteban Castaño / Proparco

► Distribution of projects by theme-based eligibility and technical criteria

A. THEME-BASED ELIGIBILITY, TIED TO THE INTRINSIC NATURE OR SUBJECT OF THE LOANS

135 out of 157 projects backed by the Sustainable Bond issue comply with the theme-based eligibility criteria



€3.05Bn

Transitions	Theme-based eligibility	Number of projects	Outstandings
Demographic and Social 19 projects €425,843,303	Education and professional training	11	€236,786,622
	Infrastructure and urban development	2	€47,162,483
	Health	5	€136,261,171
	Productive systems	1	€5,633,027
Economic and Financial 23 projects €376,634,734	Productive systems	23	€376,634,734
Energy 14 projects €215,229,226	Infrastructure and urban development	14	€215,229,226
Digital and Technological 7 projects €359,151,559	Financial services and systems	1	€6,000,000
	Productive systems	7	€353,151,559
Politics and Civics 3 projects €61,724,179	Energy efficiency	1	€48,026,668
	Infrastructure and urban development	2	€13,697,512
Territorial and Ecology 68 projects €1,613,131,423	Water and sanitation	26	€494,843,583
	Infrastructure and urban development	40	€1,088,467,270
	Productive systems	2	€29,820,570

► Project examples

Demographic and Social Transition

EDUCATION
Sector

SENEGAL
Location

LOAN
Financing tool

Project sheets:

[CLICK HERE](#)

[CLICK HERE](#)

Programme supporting the development of education in Senegal (PADES)

The purpose of PADES is to contribute to improving the skills of all Senegalese children and to the successful pursuit of their education.

The programme's principal objective is to work towards sustainable and significant improvements in the education system in terms of quality, fairness and effectiveness by reinforcing the system's steering and regulation capabilities and by developing its partnership and inclusiveness dimensions.

PADES WORKS IN TWO WAYS

- sectoral budgetary support to structure public policy dialogue;
- project support that finances, on a national level, technical support, programmes to reinforce capacities, equipment, and tools, calls for projects and performance contracts.

CO-FINANCING

The project is co-financed by AFD and the [Global Partnership for Education](#).

SDGS TO WHICH THE PROJECT CONTRIBUTES



SUSTAINABLE DEVELOPMENT OPINION SCORE PER DIMENSION¹⁰

D1.	D2.	D3.	D4.	D5a.	D5b.	D6.
2	3	2	0	0	0	2



SENEGAL

© Emmanuelle Andrianjafy / AFD



¹⁰ The Sustainable Development Analysis and Opinion mechanism is described in the loan identification and selection process section of the [SDG Bond Framework](#), p. 47

Territorial and Ecology Transition

WATER AND SANITATION
Sector

TUNISIA
Location

LOAN
Financing tool

Project sheets:

[CLICK HERE](#)

[CLICK HERE](#)



Depolluting the Mediterranean (DEPOLMED)

The Mediterranean Sea is one of the world’s biodiversity hotspots. While it only covers 0.8% of the world’s ocean surface area, it is home to 7 to 8% of known marine species. The protection of the Mediterranean Sea is an increasing regional concern and AFD is strongly committed to financing numerous domestic wastewater treatment projects (domestic wastewater is one the main sources of pollution). Tunisia’s Mediterranean coast has not been spared: the impacts of pollution can be felt on natural wetlands, tourism (deterioration in the quality of bathing waters) and fisheries resources.

The DEPOLMED project involves assisting the National Sanitation Office (ONAS) with the implementation of the first portion of an ambitious investment program for sanitation in coastal areas. It provides for:

- the rehabilitation and extension of wastewater treatment plants, networks, pumping stations and connection boxes;
- capacity building for ONAS in key areas of its mandate: investment project management, infrastructure operation and maintenance, combined with the self-monitoring of discharges from wastewater treatment plants, industrial sanitation control, communication and public consultation.

SDGS TO WHICH THE PROJECT CONTRIBUTES



SUSTAINABLE DEVELOPMENT OPINION SCORE PER DIMENSION

D1. 3	D2. 2	D3. 0	D4. 2	D5a. 1	D5b. 2	D6. 2
-----------------	-----------------	-----------------	-----------------	------------------	------------------	-----------------

Demographic and Social Transition

HEALTH
Sector

KENYA
Location

LOAN
Financing tool

Project sheet:

[CLICK HERE](#)

Extension and renovation of Aga Khan hospitals in Mombasa and Kisumu in Kenya

The fight against communicable diseases is a priority challenge for Kenya. By positioning Kisumu and Mombasa hospitals as reference hospitals for secondary care in their respective counties, the project seeks to improve accessibility to care and to improve the health of Kenyan people.

The Kisumu hospital, located in a region where HIV/AIDS and malaria rates are extremely high, will increase its capacity and strengthen its service offer on infectious diseases. The Mombasa hospital will focus on subspecialties in cardiology and oncology, for which supply is extremely limited in the county. Other services are being developed around these two hospitals:

- peripheral health centres;
- an e-health concept (network between peripheral centres and hospitals);
- partnerships with public health centres.

SDGS TO WHICH THE PROJECT CONTRIBUTES



SUSTAINABLE DEVELOPMENT OPINION SCORE PER DIMENSION

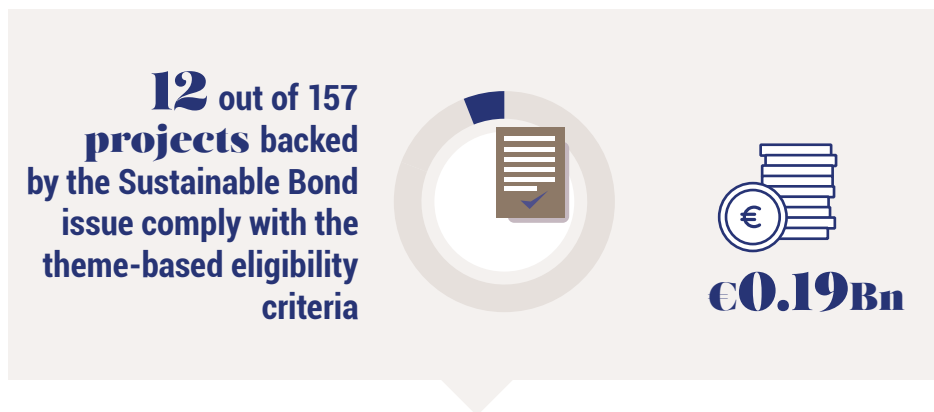
D1.	D2.	D3.	D4.	D5a.	D5b.	D6.
1	2	1	0	0	0	1



KENYA
© Stefano Bianco / AFD



B. CLIMATE PERFORMANCE ELIGIBILITY, TIED TO A MINIMUM CLIMATE PERFORMANCE LEVEL



Transitions	Theme-based eligibility	Number of projects	Outstandings
Economic and Financial 2 projects €34,531,723	Productive systems	2	€34,531,723
Energy 2 projects €52,309,800	Infrastructure and urban development	2	€52,309,800
Digital and Technology 5 projects €63,369,985	Productive systems	5	€63,369,985
Politics and Civics 1 project €16,354,567	Infrastructure and urban development	1	€16,354,567
Territorial and ecological 2 projects €24,344,163	Infrastructure and urban development	2	€24,344,163

C. TRANSFORMATIONAL ELIGIBILITY, TIED TO REACHING THE SUSTAINABLE DEVELOPMENT RESULTS AS DEFINED IN THE LOANS' INDICATORS MATRIX

10 out of 157 projects backed by the Sustainable Bond issue comply with the theme-based eligibility criteria



€0.88Bn

Transitions	Theme-based eligibility	Number of projects	Outstandings
Demographic and Social 4 projects €412,000,000	Education and professional training	2	€42,000,000
	Health	2	€370,000,000
Energy 1 project €100,000,000	Infrastructure and urban development	1	€100,000,000
Politics and Civics 1 project €120,000,000	Energy efficiency	1	€120,000,000
Territorial and Ecological 4 projects €252,000,000	Water and sanitation	2	€177,000,000
	Infrastructure and urban development	2	€75,000,000

Transitions	Project description	Country	Year of signature	SDG contribution	2020 outstandings	Link
Demographic and Social	Support for teachers management	Ivory Coast	2019	4;5;15;16	€17,000,000	CLICK HERE
	Support for social protection	Georgia	2020	3;15;16	€70,000,000	CLICK HERE
	Support for the economic integration of youth	Marocco	2019	4;5;9;15	€25,000,000	CLICK HERE
	Support for reducing and managing risks of natural and health catastrophes	Mauritius	2020	5;10;13;14;15;16	€300,000,000	CLICK HERE
Energy	Support for energy transition	Mexico	2017	7;13;15;16	€100,000,000	CLICK HERE
Politics and Civics	Support for energy report	Georgia	2020	7;13;15;16	€120,000,000	CLICK HERE
Territorial and Ecological	Support for the water sector	Bolivia	2017	6;13;14;15	€102,000,000	CLICK HERE
	Support to sustainable, innovative and participative urban development	India	2018	5;8;11;12;13;14;15	€50,000,000	CLICK HERE
	Support for the water sector	Jordan	2019	5;6;13;14;15	€75,000,000	CLICK HERE
	Support for municipality performance	Marocco	2020	5;8;11;12;13;15	€25,000,000	CLICK HERE

► Focus on two public policy loans


Transition
Territoriale
et écologique

 **INFRASTRUCTURE AND URBAN DEVELOPMENT**
Sector

 **INDIA**
Location

 **LOAN**
Financing tool

 **€100M**
Loan amount

 **€50M**
Amount disbursed

Project sheet:

 [CLICK HERE](#)

Smart Cities Mission in India (SCM)

In order to compensate for the lack of investment in Indian cities in the past few decades, the Indian government launched the Smart Cities Mission (SCM) in 2015.

This urban infrastructure investment programme seeks to improve residents' quality of life by developing innovative and sustainable projects in 100 Indian "Smart Cities". The CITIIS Programme (City Investments to Innovate, Integrate and Sustain), which is financed by AFD, the European Union and led by the National Institute of Urban Affairs (NIUA) and the Ministry of Housing and Urban Affairs (MoHUA), provides technical and financial support for 12 Smart City projects. Selected during a call for projects, these projects relate to soft mobility, public spaces, green areas, digitalising urban services, and social innovation in poor neighbourhoods.

The principal conditions satisfied that allowed the initial payment to be made were (list not exhaustive):

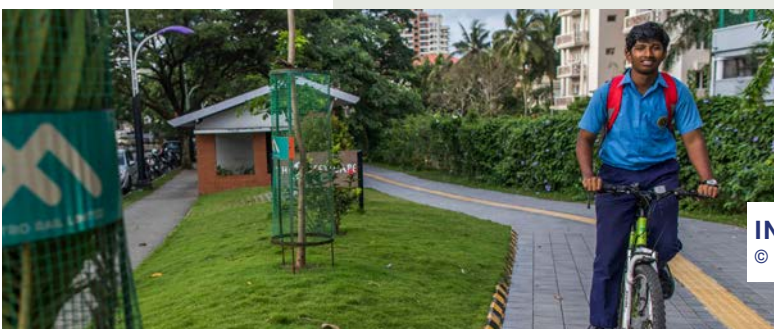
- creation of a Steering Committee and selection of a Programme Head within NIUA;
- Ministry of Urban Development's approval of 99 proposals submitted by Smart Cities;
- approval for the creation of 60 SPVs (to implement the municipal projects);
- publication of the credit rating of 30 municipalities.

SDGS TO WHICH THE PROJECT CONTRIBUTES



SUSTAINABLE DEVELOPMENT OPINION SCORE PER DIMENSION

D1.	D2.	D3.	D4.	D5a.	D5b.	D6.
2	2	2	1	1	1	2



INDIA

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Demographic and Social Transition

ÉDUCATION
Sector

IVORY COAST
Location

LOAN
Financing tool

€30M
Loan amount

€17M
Amount disbursed

Project sheet:

[CLICK HERE](#)

Supporting teacher management in the Ivory Coast

Since 2015, the Ivory Coast has applied a mandatory schooling policy for all children between the ages of 6 and 16.

AFD supports the Ivorian government's efforts by providing a financing programme that helps reinforce the sector's governance framework and by promoting more efficient management methods. The loan seeks to:

- improve the relevance, sustainability and credibility of educational public policy as a whole;
- strengthen the effectiveness of education policy funding;
- improve teacher management;
- reinforce sectorial dialogue, in particular through improving the sector's monitoring-evaluation system.

The conditions that were met allowing the first payment to be made were, in particular:

- coverage rate for teaching needs of middle schools by assigned certified teachers over 80%;
- observing a period of time between the assignment of teachers exiting training schools and back to school;
- visits made by educational advisors to nearby middle schools per school year over 500.

SDGS TO WHICH THE PROJECT CONTRIBUTES



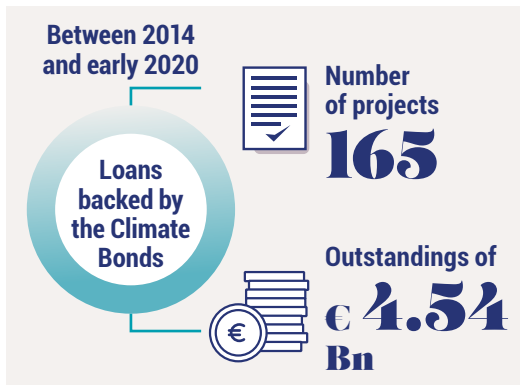
SUSTAINABLE DEVELOPMENT OPINION SCORE PER DIMENSION

D1.	D2.	D3.	D4.	D5a.	D5b.	D6.
2	2	1	0	0	0	2



IVORY COAST
© Jaques Kouao / AFD

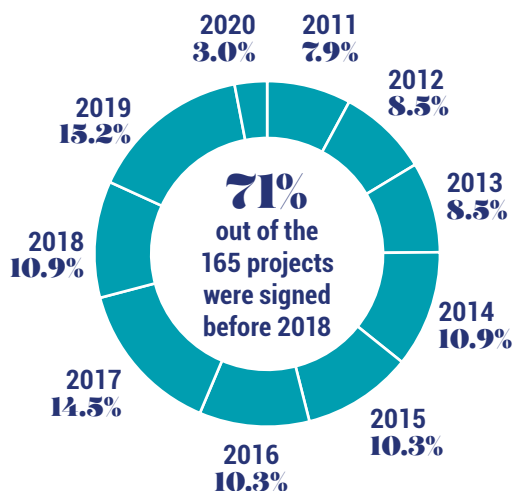
The assets backed by Climate Bond Issuances



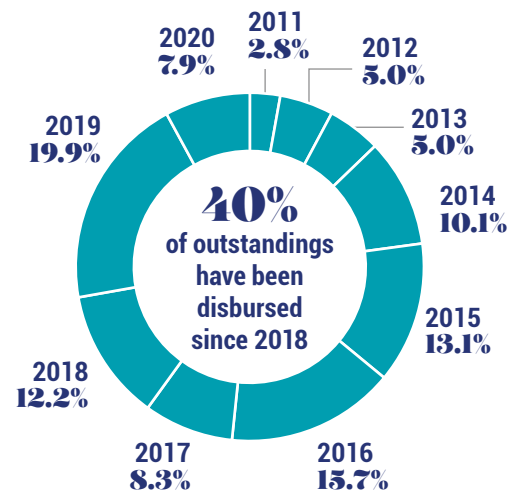
The Climate framework drafted in 2017 was replaced by the Sustainable Development Goal Bond Framework in fall 2020. This new framework allows for the issuance of Sustainable, Climate and Social bonds. Mitigation and adaptation loans that were eligible for the previous Climate bond framework were included in this renewed reporting in this sub-section dedicated to Climate bond issues. These loans comply with the selection criteria that had been defined under the initial 2017 framework.

Distribution	Number of projects	Outstandings
AFD	117	€4,059,562,423
Proparco	48	€484,921,498

Projects per signature year

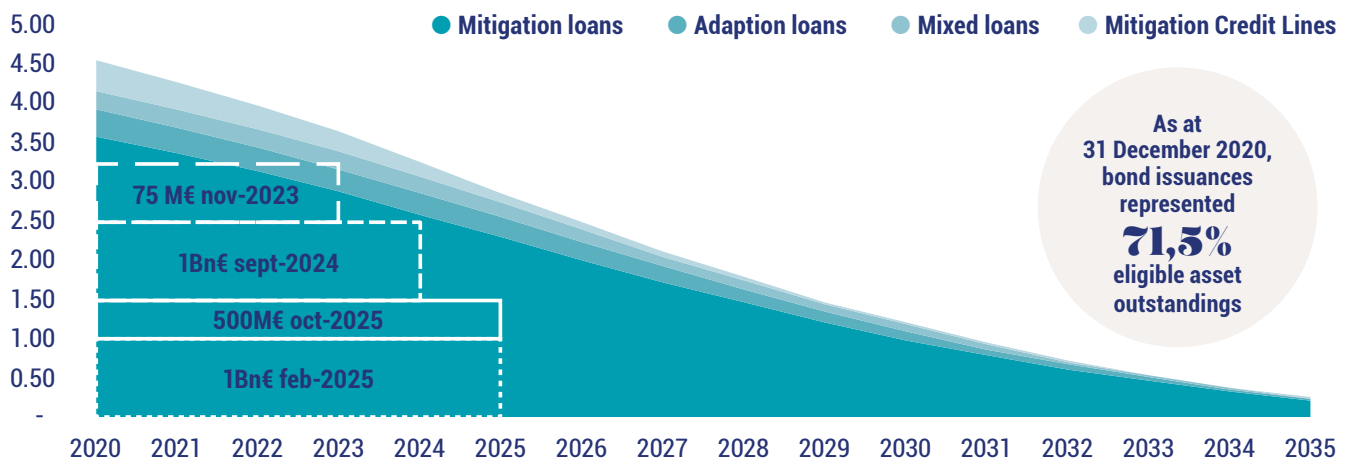


Disbursement dynamic



Projected view of the asset pool and bond issuances

Asset and liability flows (in billion euros)

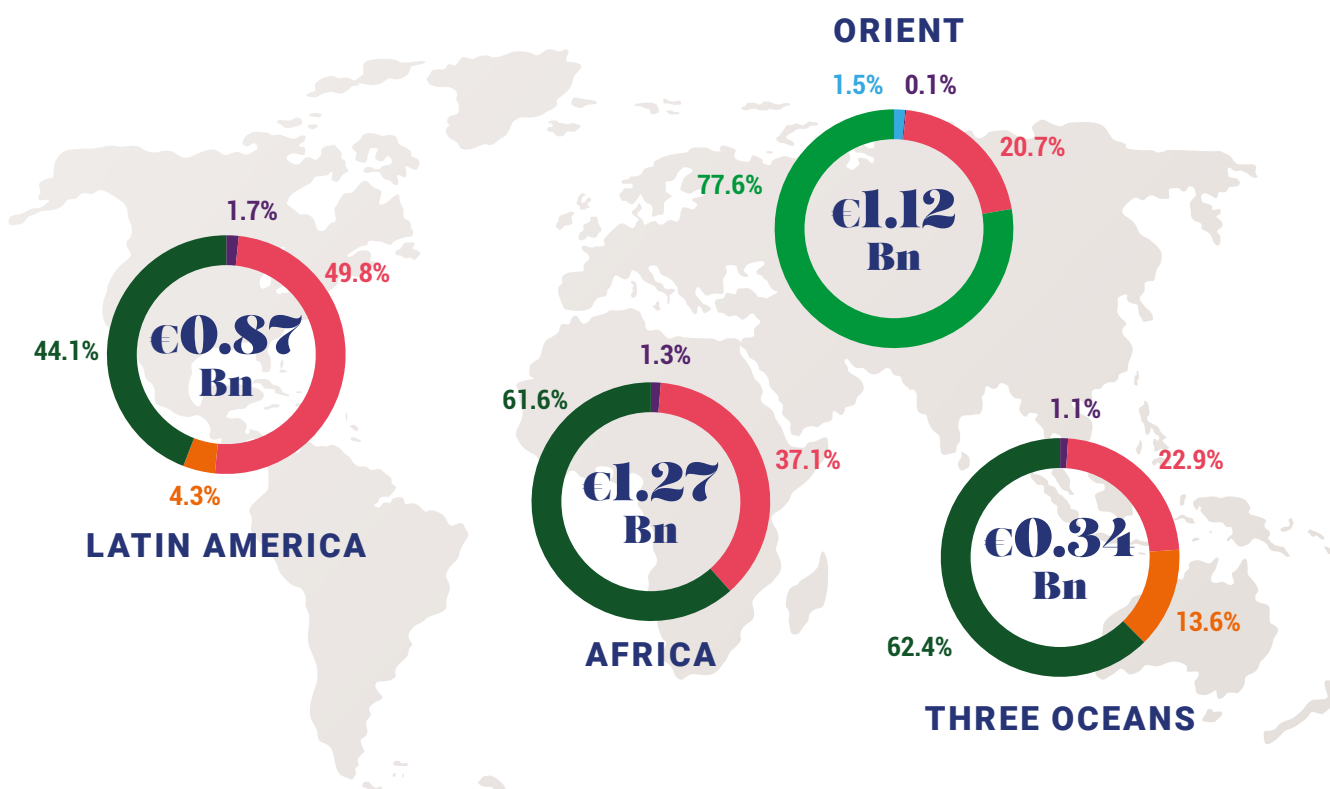


► Distribution of Transitions by geographic area of intervention

2020 outstandings (in euros)

Transitions	Theme-based eligibility	Africa	Latin America	Three Oceans	Orient	General total
Demographic and Social	Infrastructure and urban development				30,563,143	30,563,143
Economic and Financial	Productive systems	17,047,815	14,755,562	3,694,289	3,002,426	38,500,092
Energy	Energy efficiency			8,032,809		8,032,809
	Renewable energies	276,111	3,669,433	37,048,863		40,994,407
	Infrastructure and urban development	472,772,726	434,799,674	33,338,386	424,124,252	1,365,035,037
Digital and Technological	Productive systems		38,155,778	46,673,519		84,829,298
Territorial and ecological	Water and sanitation	179,338,574			73,433,260	252,771,834
	Infrastructure and urban development	605,745,666	388,316,538	214,022,555	1,515,672,544	2,723,757,303

- Demographic and Social
- Digital and Technological
- Economic and Financial
- Political and Civic
- Energy
- Territorial and Ecological



► Distribution of outstandings by sector and geographic area

In 2020 (in euros)

Sector	Africa	Latin America	Three Oceans	Orient	General total
Adaptation	133,805,661			210,815,044	344,620,705
Biodiversity protection	2,788,562			188,536,371	191,324,934
Biological Sequestration				43,735,938	43,735,938
Energy Efficiency	259,110,720	233,285,632	66,781,271	401,169,245	960,346,868
Renewable Energy	340,155,771	258,094,815	87,305,065	255,327,883	940,883,534
Transportation	498,850,077	388,316,538	188,724,084	942,248,000	2,018,138,699
Waste management	40,470,101			4,963,143	45,433,244
General total	1,275,180,892	879,696,985	342,810,420	2,046,795,624	4,544,483,922

► Distribution of CO₂ by sector and geographic area

In 2020 (in tonnes/year)

Sector	Africa	Latin America	Three Oceans	Orient	General total
Biodiversity protection	1,047,305			1,022,079	2,069,384
Biological Sequestration				300,000	300,000
Energy Efficiency	1,882,722	154,000	130,884	2,267,201	4,434,807
Renewable Energy	4,092,600	2,417,348	313,300	2,409,827	9,233,075
Transportation	295,200	109,619	84,000	861,000	1,349,819
Waste management	30,000			20,000	50,000
General total	7,347,827	2,680,967	528,184	6,880,107	17,437,085

► Project example

Energy Transition

ENERGY
Sector

VIETNAM
Location

LOAN
Financing tool

Project sheet:

[CLICK HERE](#)
(on page 33 of the document)

Renewable energy in Vietnam

Vietnam’s economic growth over the past few years has impacted electricity consumption, particularly as a result of the country’s industrialisation process and population growth.

The economy’s energy intensity has increased significantly, which puts Vietnam among the most energy consuming economies on the planet. The increase in the country’s installed capacity has thus become a precondition to continued growth in Vietnam.

To limit the use of new carbon fuelled power plants, AFD is supporting the Vietnamese government with promoting, developing and optimising renewable energy projects by increasing the electricity production capacity of the public company Electricity of Vietnam using renewable energies.

To do so, the project aims to increase installed capacity in the hydro-electric power plant in Laly by 50%, build a 49 MWp ground mounted solar farm and a pilot project for 5 MWp floating solar panels on the Sê San 4 site.

SDGS TO WHICH THE PROJECT CONTRIBUTES



SUSTAINABLE DEVELOPMENT OPINION SCORE PER DIMENSION

D1.	D2.	D3.	D4.	D5a.	D5b.	D6.
2	1	0	0	1	0	1



VIETNAM

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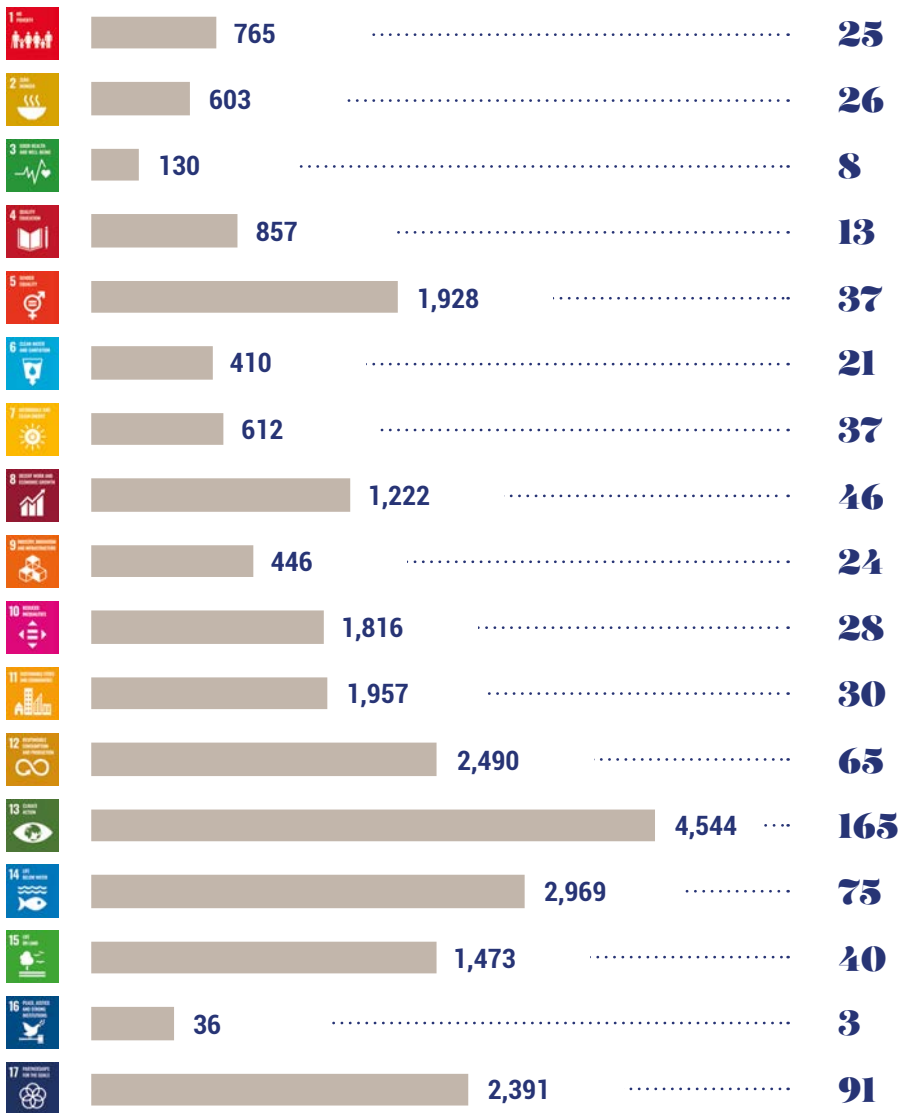
► Contribution to the Sustainable Development Goals

In terms of outstandings, the loans in the Climate portfolio contribute more particularly to SDGs 11, 12, 13 and 14.



SDG split by Outstandings (in million euros)

and by number of loans



A few concrete results

- Improved access to sustainable transportation for 12.8 million people
- Improved access to electricity for 56.8 million people
- Potable water savings of 35.3 million m³/year

► Climate change adaptation loans

Adaptation programmes contribute to reducing the vulnerability of property, people and ecosystems to the effects of climate change. Contrary to the case of mitigation, there is not a “simple” quantified indicator that allows the impact of financed actions to be measured in terms of adaptation to climate change.

AFD defined “meta indicators” in order to measure the expected development results. Among these indicators is the “total number of beneficiaries” indicator, which is defined to measure both direct and indirect beneficiaries of the projects, and the “Number of FTEs created or maintained”, which measures the number of FTEs created or maintained due to the AFD Group’s involvement.

Year of signature	Country	Project description	Adaptation sector	Meta indicator	2020 outstandings in euros	Project sheets
2015	BANGLADESH	Sustainable development of water supply in Dhaka.	●	4,300,000 beneficiaries	22,187,547	CLICK HERE
2015	JORDAN	The project aims to withdraw, treat and pump water in the Jordan valley.	●	1,640,000 beneficiaries	35,162,319	CLICK HERE
2013	CAMBODIA	Supporting hydro-agricultural policy partners.	●	9,800 beneficiaries	20,000,000	CLICK HERE
2017	CAMBODIA	Supporting hydro-agricultural policy partners.	●	9,800 beneficiaries	1,000,000	CLICK HERE
2018	CAMBODIA	Managing water resources and agro-environmental transition in the irrigated perimeters in Cambodia.	●	50,000 beneficiaries	55,000,000	
2016	MAROCOCO	Improving the output of drinking water networks.	●	400,000 beneficiaries	4,024,608	CLICK HERE
2017	MAROCOCO	Project to develop irrigation and adapt agriculture to climate change.	●	5,500 beneficiaries	20,000,000	CLICK HERE
2017	MAROCOCO	Blue credit line to protect water resources.	●	4,000 jobs maintained	2,444,848	CLICK HERE
2012	TUNISIA	Improving the drinking water supply throughout Tunisia.	●	660,000 beneficiaries	33,846,153	CLICK HERE
2016	TUNISIA	Rural land development.	●	28,429 beneficiaries	5,000,000	
2014	TUNISIA	Improving sanitation in poor districts.	●	110,000 beneficiaries	30,000,000	CLICK HERE
2017	TUNISIA	Financing the programme to secure and strengthen infrastructures for diverting water from the North to the Sahel and Sfax regions.	●	1 470 000 beneficiaries	9,000,000	
2012	VIETNAM	Hydro-agricultural infrastructure programme for water use in PHUOC HOA province.	●	100,000 beneficiaries	13,929,687	CLICK HERE
2011	VIETNAM	Increasing water resources and rehabilitation of irrigation systems.	●	500,000 beneficiaries	16,923,076	CLICK HERE
2015	VIETNAM	Hydro-agricultural infrastructures in the Binh Dinh and Hung Yen provinces.	●	63,000 beneficiaries	17 450 101	CLICK HERE
2016	VIETNAM	Combating rising water levels in the provinces of Ninh Binh, Ha Tinh and Can Tho.	●	35,676 beneficiaries	29,162,311	CLICK HERE
2011	SOUTH AFRICA	Trans Caledon Tunnel Authority.	●	5,000,000 beneficiaries	26,215,242	CLICK HERE
2020	KENYA	Macadamia nut company seeking Capex expansion for its principal and other business lines.	●	1,020 jobs maintained	3,274,807	CLICK HERE

● Risk prevention and management ● Water and waste management ● Agriculture and natural resources

Useful links

SDG Bond Framework:

<https://www.afd.fr/sites/afd/files/2020-10-07-38-47/sdg-bond-framework-afd.pdf>

Vigeo Second Party Opinion:

<https://www.afd.fr/sites/afd/files/2020-10-07-34-23/vigeo-eiris-seconde-opinion-cadre-emissions-odd.pdf>

Transitions and fields of action:

<https://www.afd.fr/en/our-fields-action>

Evaluations:

<https://www.afd.fr/en/evaluate-our-actions>

Sustainable Development Analysis:

<https://www.afd.fr/en/ressources/sustainable-development-analysis>

Corporate Responsibility:

<https://www.afd.fr/fr/notre-responsabilite-societale>

Proparco sustainable development report:

<https://www.proparco.fr/en/institution-committd-promoting-responsible-private-sector>

Open Data:

<https://opendata.afd.fr/page/accueil/>

Funding team contact: _afd_funding@afd.fr

<https://www.afd.fr/en/investors-page>

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For a World in Common

AFD Group implements France's policy in the areas of development and international solidarity. The Group includes Agence Française de Développement (AFD), which finances the public sector and NGOs, as well as research and education in sustainable development; its subsidiary Proparco, which is dedicated to private sector financing; and soon, Expertise France, a technical cooperation agency. The Group finances, supports and accelerates transitions towards a fairer, more resilient world.

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 4,000 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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