



water & sanitation

ACTIVITY REPORT

2020
2024



2024 was marked by the ambition of strengthening global governance and political support in the water and sanitation sector, whether at the World Water Forum in Bali, with the publication of the United Nations System-wide Strategy for Water and Sanitation, or at the One Water Summit in Riyadh, during which President Macron highlighted the importance of Public Development Banks in financing the sector.

For AFD, it was once again a year of intense activity, with a high level of amounts committed and an active project portfolio which now exceeds €10 billion.

To align with the dates and objectives of AFD's 5th Strategic Plan (POS), which will cover the period 2025-2030, it has been decided to cut short the water sector accountability framework, initially planned for 2020-2025, by one year. This will enable a new accountability framework to be adopted this year, covering the same period as the Strategic Plan. This Activity Report thus presents the results for 2020-2024.

In the current context of heavy budgetary constraints in France and geopolitical uncertainties, the issues of transparency and accountability have become more important today than ever before. For the first time, the new water sector accountability framework for 2025-2030, which will be presented in the course of the year, will thus define targets covering the actual results achieved on the ground through AFD's financing.

Visible results on the ground

Between 2020 and 2024, the projects under implementation have allowed:



SDG target 6.2

4.1 million people to benefit from a safely managed sanitation service



SDG target 6.1

20 million people to benefit from a safely managed drinking water supply service



SDG target 3.9

2.6 million people to benefit from hygiene and water use awareness campaigns



SDG target 6.3

1 million population equivalent of wastewater treatment capacity



SDG target 1.4
Access to basic services

5.3 million people to benefit from a basic drinking water supply service



SDG target 11.5
Reduce deaths and economic losses caused by natural disasters

500,000 people to benefit from flood risk management facilities/equipment



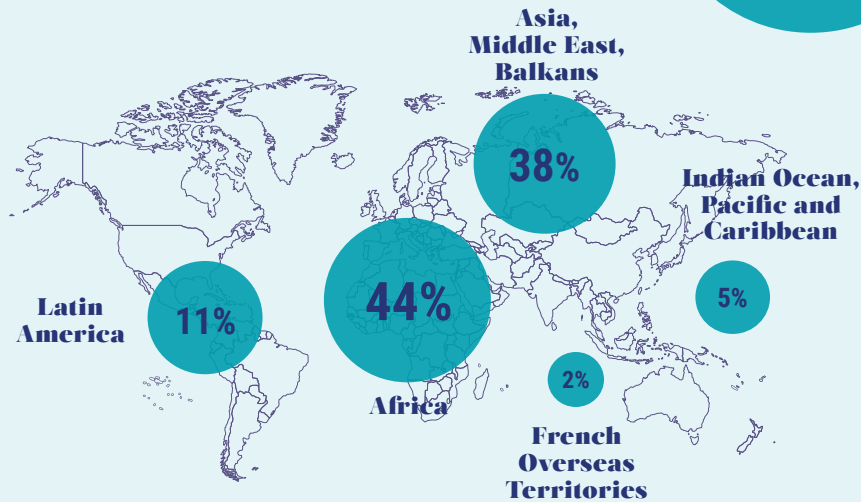
SDG target 1.4
Access to basic services

1.6 million people to benefit from a basic sanitation service

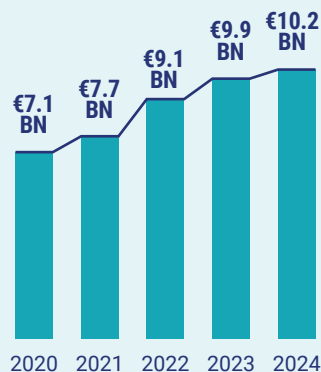


310 projects under implementation at the end of 2024

➤ A portfolio of €10 billion



➤ The portfolio of ongoing projects has increased by 44% in four years



41 new projects financed in 2024

📍 Cameroon

Reducing vulnerability to floods in Douala and Yaoundé

To tackle the frequent floods in the country's two main cities, which cause substantial material damage and human casualties, the project will carry out drainage works, develop neighborhoods with submersible social and sports facilities, taking into account the needs of women, organize waste management, and strengthen weather services. The development of green corridors and the use of Nature-based Solutions will also contribute to restoring urban biodiversity.

AFD sovereign loan - €150 million

📍 Jamaica

Improving access to water in the Kingston region

This region, the most densely populated on the island, experiences water shortages during the dry seasons. To provide a continuous water supply to 600,000 people, Proparco is financing the construction and operation of a water treatment plant by Rio Cobre Water Limited, along with IDB Invest, Sagicor and the Development Bank of Jamaica. Drawing on the innovative TCX currency hedging tools, Proparco's loan is denominated in local currency at a fixed rate. This will ensure that water tariffs are predictable and affordable.

Proparco loan - Equivalent to €30 million (in Jamaican dollars)

📍 Brazil

Reducing water-borne diseases in the State of Bahia

20% of the population of this semi-arid State do not have access to either a healthcare system or drinking water. This increases the prevalence of intestinal infections, parasitic diseases and malnutrition, especially in rural areas and among women. The project is providing a response through action to increase access to both water and healthcare, by developing drinking water supply systems, improving water resources management, and strengthening primary healthcare.

AFD sovereign loan - €132 million

📍 Iraq

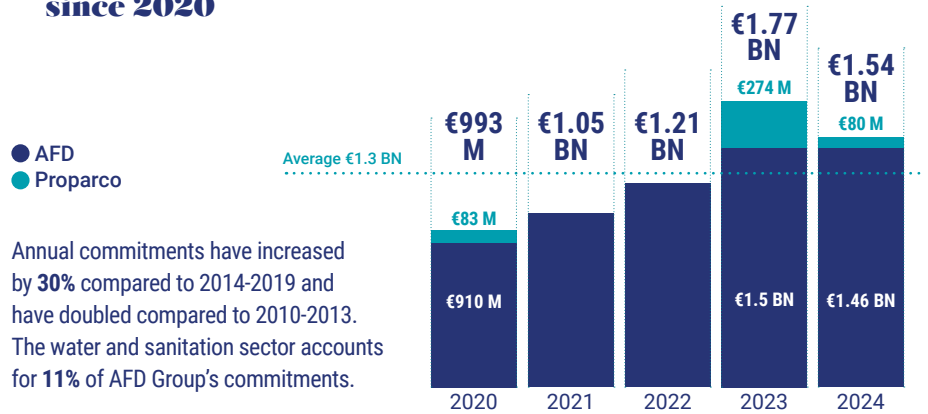
Preparing for flood risks

In Iraqi Kurdistan, Expertise France is implementing a capacity building project on the response to natural disasters. Its "flood" component provides for the acquisition of equipment for the civil protection teams, and training for them in swiftwater rescue, piloting vessels in strong currents, and airlifting techniques. It also comprises the development of risk assessment capabilities, the design of contingency plans, and awareness-raising among the population on flood risks.

Delegation of European Union funds to Expertise France - €1.5 million

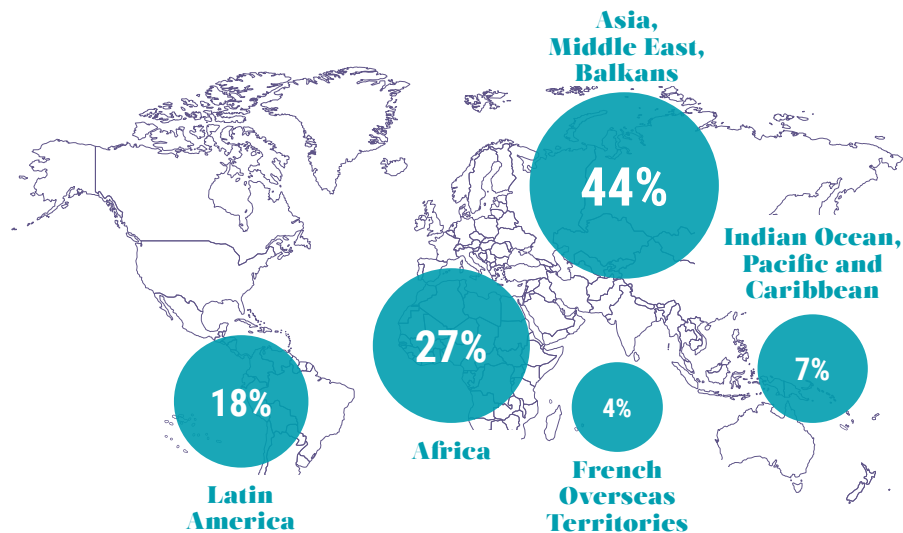
The objective of €1 billion of annual commitments has been surpassed

➤ Trend in commitments since 2020



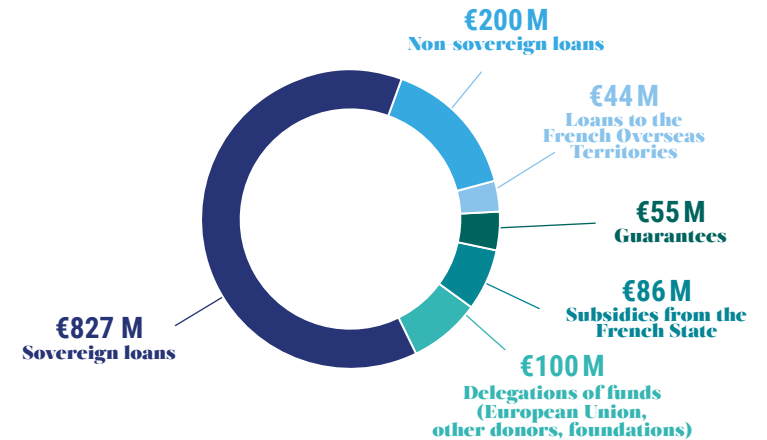
Annual commitments have increased by 30% compared to 2014-2019 and have doubled compared to 2010-2013. The water and sanitation sector accounts for 11% of AFD Group's commitments.

➤ The target of at least 30% of commitments in Africa is not wholly realized



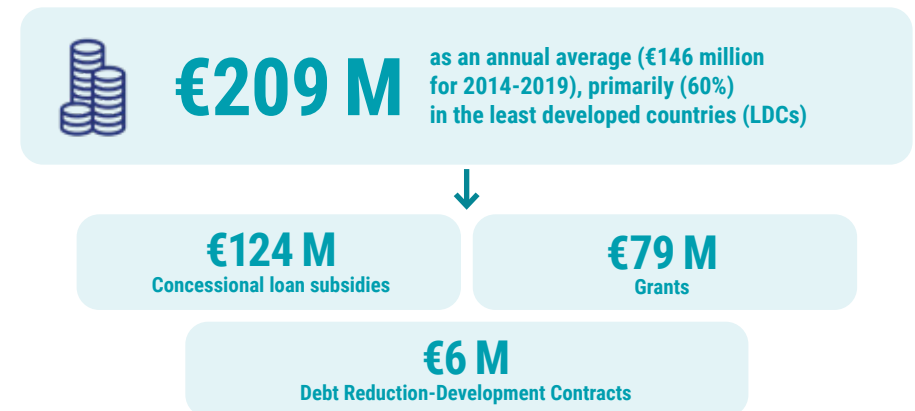
AFD Group has mobilized all its financial tools

➤ Breakdown by financial tool (annual average 2020-2024)



Sovereign loans remain the principal financial tool in the sector. However, non-sovereign loan commitments saw a fourfold increase between the periods 2014-2019 and 2020-2024, from €54 million to €200 million a year.

➤ France's financial effort increased



The multi-SDG objectives have been broadly achieved

Proportion of new water and sanitation projects committed between 2020 and 2024 with a positive impact on...

● Strategy target ● 2020-2024 value ● 2024 value



Climate

(amount)

75% • 86% • 91%



Biodiversity

(amount)

20% • 20% • 24%



Gender equality

(amount)

55% • 64% • 59%



Sanitation

(amount)

40% • 34% • 21%



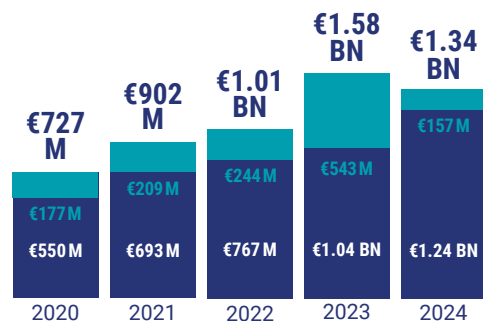
Governance

and public service management
(number of projects)

90% • 82% • 75%

A significant increase in climate finance in the sector between 2020 and 2024

● Mitigation ● Adaptation



Partnerships to strengthen our impact

Partnerships are crucial for AFD Group and bring many benefits. They mobilize financing and expertise, establish coordination between stakeholders in the sector, achieve greater impact, push forward emerging issues, and promote mutual learning.

A focus on three partnerships:



Scaling up financing in the sector with the Water Finance Coalition

Created on the heels of the Finance in Common Summit of November 2020, the Water Finance Coalition gathers Public Development Banks that are committed to scaling up financing in the water and sanitation sector. In 2024, it provided targeted support to two new national banks (in Ethiopia and Rwanda) to help them strengthen their financing for projects to provide access to water and sanitation. For the first time, it also conducted an inventory of Public Development Bank financing in the sector.



Putting the issue of menstrual hygiene on the agenda with WASH United

Alongside its financing for projects on the ground, since 2020, AFD has been supporting the NGO WASH United's international advocacy activities to promote health and menstrual hygiene, which culminate every year with Menstrual Hygiene Day. On 28 May 2024, 1,157 partner organizations organized 1,400 events, including one in Paris by AFD, reaching a total of 966 million people. As a donor recognized for its work on this issue, AFD aims to place it firmly on the public policy agenda in the coming years.

Renewing support for integrated water resources management (IWRM) with OIEau, IRD and CNES



AFD has extensive experience in supporting IWRM projects, especially transboundary IWRM. To further capitalize on this type of support and improve its coordination, it is financing the International Office for Water (OIEau) for a project to strengthen the governance and financial autonomy of African Transboundary River Basin Organizations (RBOs). The project also covers transboundary infrastructure management, resource conservation, and exchanges of expertise. A partnership has been established with IRD and CNES on strengthening satellite hydrological monitoring. In 2024, studies were launched to protect water resources in Fouta Djallon in Guinea, the source of the Gambia, Niger and Senegal rivers. Indeed, known as the "water tower of West Africa", it suffers greatly from the effects of climate change and human interventions.

Millions of new beneficiaries expected in the coming years

➤ €6.6 billion were committed in the sector between 2020 and 2024. The expected results are:



SDG target 6.2

26 million people to benefit from a safely managed sanitation service



SDG target 6.1

30 million people to benefit from a safely managed drinking water supply service



SDG target 3.9
Reduce deaths and illnesses caused by water contamination

11 million people to benefit from hygiene and water use awareness campaigns



SDG target 6.3

12 million population equivalent of wastewater treatment capacity



SDG target 1.4
Access to basic services

9 million people to benefit from a basic drinking water supply service



SDG target 11.5
Reduce deaths and economic losses caused by natural disasters

7 million people to benefit from flood risk management facilities/equipment



SDG target 1.4
Access to basic services

1 million people to benefit from a basic sanitation service



Towards 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, towards a world in common.



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