



# AGENCE FRANÇAISE DE DÉVELOPPEMENT

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# Overview of climate finance flows for Southern Africa

French Development Agency

Nov 4th 2019



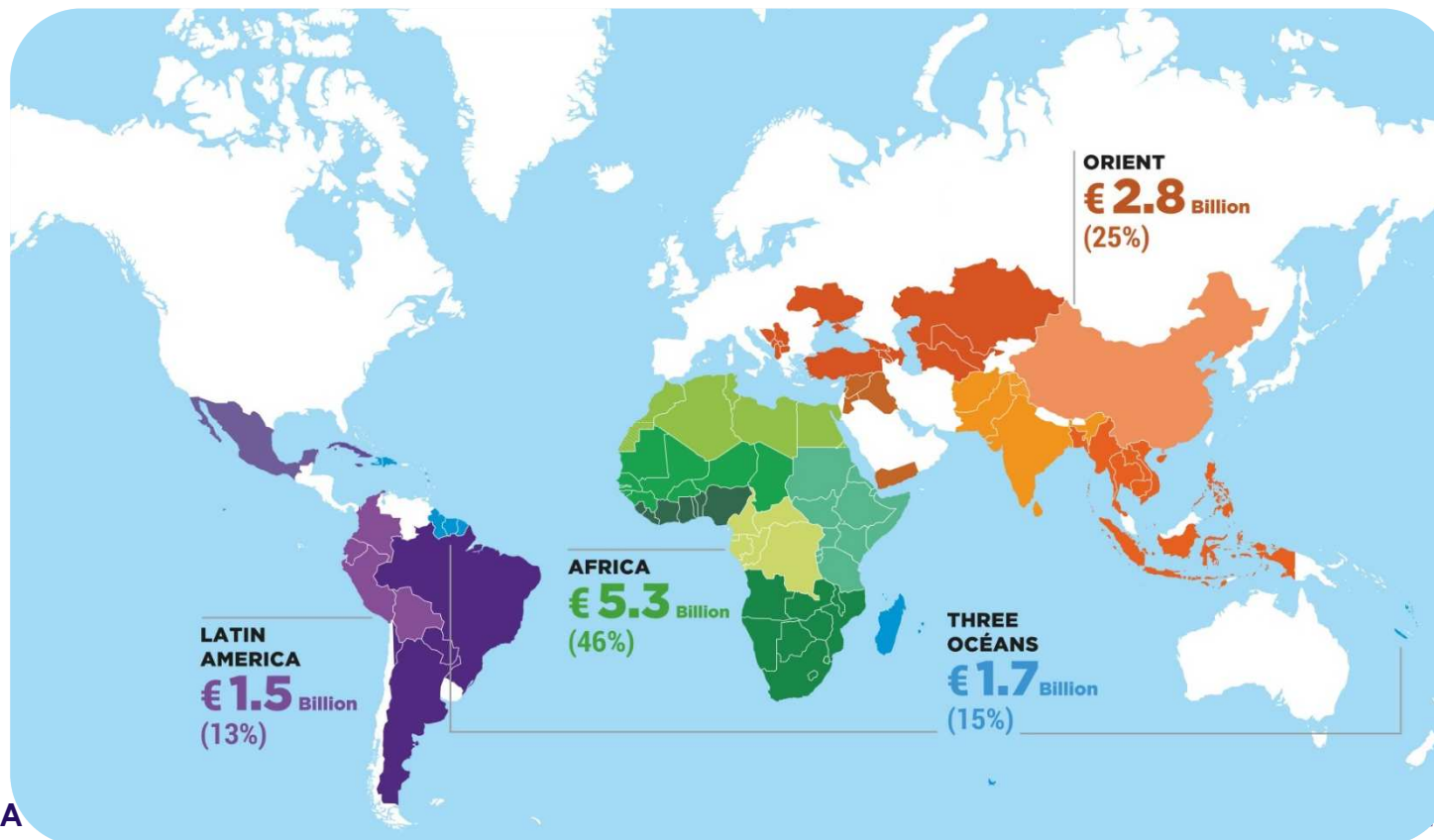
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## WHAT IS THE AFD?



Public and solidarity-based development bank.  
Implements France's international development policy.  
Finances transitions to a fairer and sustainable world.  
Main priorities: climate change and poverty.  
Active in over a 100 countries.



# A RISE IN COMMITMENTS



2015



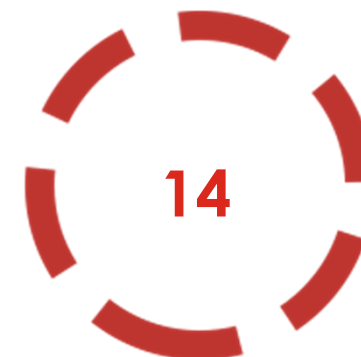
2016



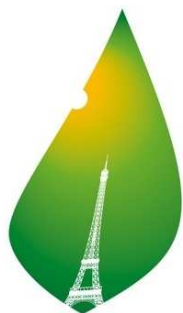
2017



2018



2019



COP21 - CMP11  
PARIS 2015

€4.8 bn

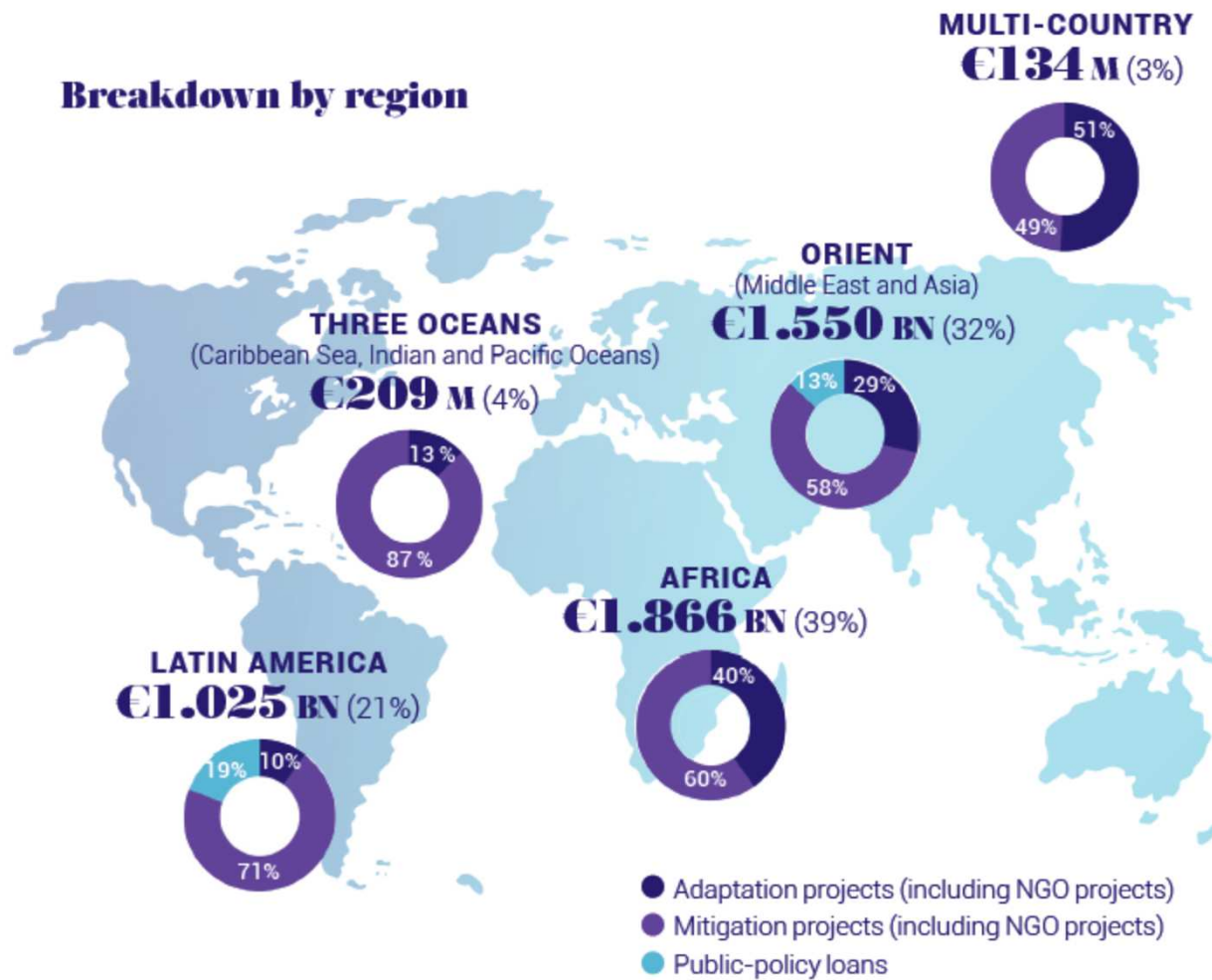


€5.6 bn



# Our climate activity in 2018

## Breakdown by region



## Trend since 2015

in € BN



**€33.8 BN**

in total climate financing since 2005

**10.5 million CO<sub>2</sub> equivalent tons**

# The three usual forms of Climate projects



## **Ensure the transition to a low-carbon economy**

### **Mitigation (emissions reduction or carbon sequestration)**

*A development project whose GHG emission reductions are greater than the emissions it generates over its lifetime.*



## **Reduce the vulnerability of goods and people to the impacts of climate change**

### **Adaptation (to climate change impacts)**

*A development project that contributes to reducing the vulnerability of assets, people or ecosystems to climate change impacts.*



## **Support for the implementation of policies to combat climate change**

### **Long term low carbon and resilient development**

*Budget support or technical assistance dedicated to the elaboration of national strategies, territorial climate plans...*

# Projects examples – Adaptation and Mitigation



*Opening up deprived neighborhoods, providing sanitation and improving living conditions for residents*



*Halting deforestation and ensuring the future for local populations*

- ▶ **Financial tool:**  
*grant*
- ▶ **Amount committed:**  
**€14M**
- ▶ **Beneficiary:**  
**Urban Community of Antananarivo and AGETIPA**
- ▶ **Date granted:**  
**2011 (1<sup>st</sup> phase) and 2014 (2<sup>nd</sup> phase)**

## Impact

- ▶ Reduction in flood risks, which are increased by climate change.
- ▶ Improvement in health conditions.
- ▶ Improved pedestrian mobility and low-carbon way of getting about.
- ▶ Jobs created for a local workforce, which is often young and unskilled.
- ▶ Social ties strengthened.

- ▶ **Financial tool:**  
*grant*
- ▶ **Amount committed:**  
**€2M (AFD) + €1.5M (FFEM)**
- ▶ **Beneficiary:**  
**Etc Terra Association**
- ▶ **Date granted:**  
**2013**

## Impact

- ▶ Protecting an ecosystem vulnerable to climate change.
- ▶ Instituting sustainable practices that generate income for rural populations (more than 1,300 producers concerned).
- ▶ Generating additional funding by selling carbon credits.
- ▶ Instituting sustainable conservation contracts and management of natural resources.

# Projects examples – Mitigation and Adaptation



## *Promoting green financing and diversifying the country's energy mix*

- ▶ *Financial tool:*  
**loan and grant**
- ▶ *Amount committed:*  
**€ 120M (loan) +  
€ 0.7M (grant)**
- ▶ *Beneficiary:*  
**ABSA, IDC,  
NEDBANK, SANEDI**
- ▶ *Date granted:*  
**2009**
- ▶ *Project status:*  
**completed**

### **Impact**

- ▶ Diversification of energy mix.
- ▶ Capacity building for local banks.
- ▶ Creation of green SMEs.
- ▶ Reduction in the energy and carbon intensity of South Africa's economy.

At the project closing end 2015, almost the entire line of credit was used, making it possible to finance nearly 120 renewable energy and energy efficiency projects, reducing CO<sub>2</sub> emissions by more than 350,000 tonnes per year.



## *Transforming the city, strengthening social cohesion and reducing the carbon footprint*

- ▶ *Financial tool:*  
**loan**
- ▶ *Amount committed:*  
**€ 120M**
- ▶ *Beneficiary:*  
**Johannesburg  
Metropolitan  
Municipality**
- ▶ *Date granted:*  
**2014**
- ▶ *Project status:*  
**ongoing**

### **Impact**

- ▶ Reduction of urban geographical and social division.
- ▶ Improvement in access to housing, water, transport and employment.
- ▶ Reduction of greenhouse gas emissions, greater resilience to climate change.





# Adapt'Action Facility

## Objectives :

- Operationalize the Paris Agreement
- A driving force in speeding up climate investments
- Focus on adaptation

## Amount :

30 M€ financed by AFD

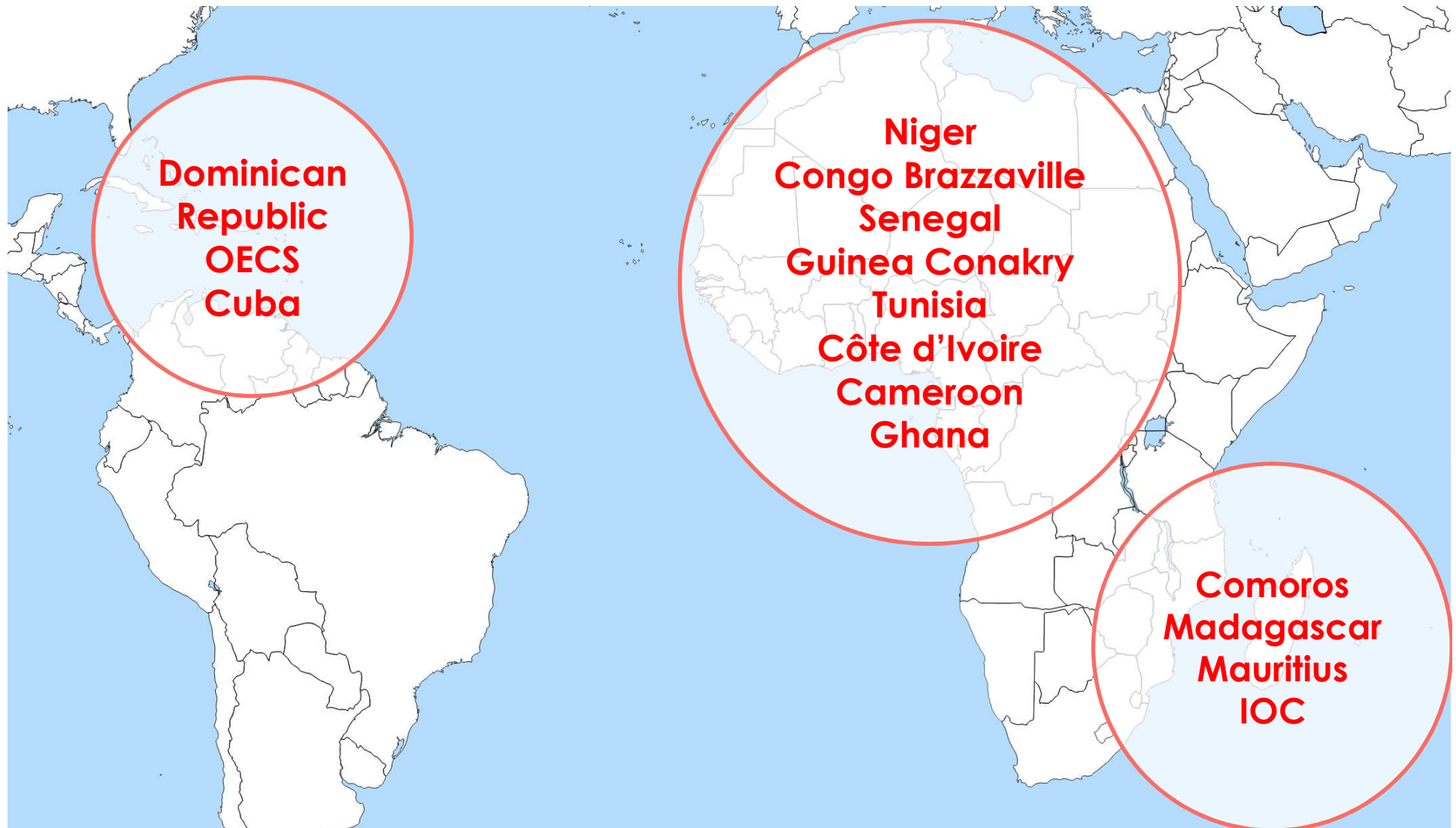
## 15 countries and Regional organisations:

Africa, LDCs and SIDS

## Duration :

4 years (2017-2021)







## Transforming Financial Systems for Climate



GREEN  
CLIMATE  
FUND

Approved in 2018 - \$ 275 mn from GCF + \$ 475 mn from AFD

The TFSC programme aims to create a market for investments in climate technologies in 17 countries by removing the financial and technical barriers faced by Local Financial Partners to enable borrowing for adaptation and mitigation investments.

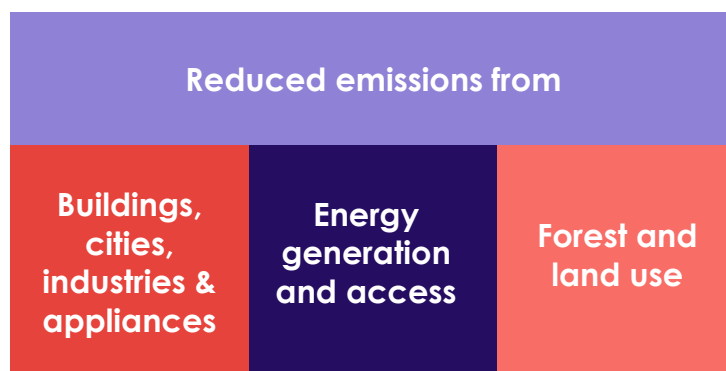
Benin  
Burkina Faso  
Cameroon  
Ivory Coast

Egypt  
Kenya  
**Madagascar**  
**Mauritius**

Morocco  
**Namibia**  
Nigeria  
Senegal

**South Africa**  
**Tanzania**  
Togo  
Uganda

### Mitigation 60%



### Adaptation 40%





# Thank you

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