

CORPORATE · SOCIAL · RESPONSIBILITY

2015 RESULTS



ALL INVOLVED

EDITORIAL

2015 was an historical year for sustainable development: the Sustainable Development Goals adopted in September 2015, the global framework for financing for development determined in Addis Ababa and, of course, COP21 on climate change. This new agenda has a major impact on AFD's activity. In addition to this eventful international context, AFD has also been entrusted with the new mandate of financing projects for governance, which is a key driver for the success of sustainable development in our countries of operation.

These new challenges facing AFD give renewed importance to the Corporate Social Responsibility (CSR) approach adopted in 2014 and its commitments. In 2015, there were significant achievements and progress in this area: for example, more transparency on our actions, the general application of the "sustainable development analysis" mechanism, and the inclusion of environmental, health and safety clauses in bid invitations for contracts. 2016 will be an important time for giving a new ambition to this approach, in order to support the changes at AFD and firmly fit in with a context where both public and private actors are now committed and making headway.

2015 results

MEASURING THE CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

Analyzing the impact of ongoing projects on the economic, social, environmental and governance dimensions in order to firmly root them in the sustainable development goals

During appraisal

95%

of operations

were subject to a "sustainable development analysis" conducted by project teams and an "independent sustainable development opinion"

14

indicators

measuring the development results of projects when they have reached completion: [consult the 2015 results of AFD's activity](#)

Supporting a bank in Peru: A project in line with all the dimensions of sustainable development

A loan has been allocated to the Peruvian agricultural bank AGROBANCO with the aim of supporting its transformation into a sustainable development bank. The project analysis highlighted its positive contribution to all the dimensions of sustainable development: examples include the contribution to the environmental dimension by financing technologies that use fewer natural resources, or the reduction of social imbalances by targeting farms which find it more difficult to access credit and are located in disadvantaged regions.

41.5%

of AFD-funded projects aim to reduce gender inequalities

REDUCING GENDER INEQUALITIES

Contributing to sustainable, inclusive and equitable development between men and women *via* a dedicated strategy and tools

9

toolkits

to facilitate gender mainstreaming in the different areas of operation

33

officers

sensitized to the environmental and social risk management approach

1,359

hours of training

on issues concerning human rights

TRAINING TEAMS IN SUSTAINABLE DEVELOPMENT

Providing an ambitious in-house training program to support the mainstreaming of sustainable development issues into funded projects

Highlights



NEW E&S PROCEDURES

The environmental and social risk management mechanism for funded projects has been enhanced by a development in procedures and the explicit and systematic reference to the World Bank's Safeguard Policies in AFD's financing agreements.

MANAGING ENVIRONMENTAL AND SOCIAL IMPACTS

Managing risks and improving project quality, as well as the environmental and social performance of the beneficiaries of financing



Stormwater drainage in Cameroon: A remarkable dialogue on the management of the project's social impacts

This project involves rehabilitating the watershed drainage channels in the urban area of Douala. The aim is to contribute to resolving the recurrent problem of the flooding which affects the city and its residents. An intense and unprecedented dialogue has been established between AFD's teams, the contracting authority and local actors in order to reconcile the interests of the beneficiaries and the respect for the rights of the populations who will be displaced due to the installation of this new infrastructure.

22

works contracts

awarded by the beneficiaries of AFD financing included enhanced requirements in the bidding documents for the management of their environmental, health and safety impacts

A program to improve working conditions in Cambodia's garment factories

In Cambodia, AFD is developing an integrated approach to the garment sector with the aim of improving the working and living conditions of its employees *via* the "Better Factories Cambodia" program set up by ILO. AFD also seeks to reconcile working conditions and a competitive industry by promoting the development of the skills of the local labor force. It has allocated a loan to build and equip a vocational training center for this purpose.

BUILDING THE CAPACITIES OF BENEFICIARIES AND PARTNERS

Supporting the beneficiaries of financing to allow them to successfully implement their project by sharing expertise and financing expert missions

EUR 310_m

of funding allocated to finance capacity building for partners

8 projects

benefited from technical assistance from PROPARCO

some 2,000

executives trained *via* CEFEB, AFD Group's corporate university

→ GREEN CLIMATE FUND ACCREDITATION

In July 2015, AFD was accredited as a financial intermediary for the implementation of financing from the Green Climate Fund (GCF), alongside 12 other institutions, including the World Bank and European Bank for Reconstruction and Development.

CONSERVING BIODIVERSITY

Protecting, restoring, managing and developing ecosystems and mainstreaming biodiversity into development policies

37^m
hectares

benefited from conservation, restoration or sustainable management programs

EUR
253^m

were earmarked for programs for biodiversity conservation and the management of natural environments and resources

Protecting Martinique's natural heritage

For several years, the Martiniquans have been implementing a proactive policy to preserve and develop natural wealth. Indeed, Martinique has a great diversity of ecosystems and habitats: for example, nationwide, it is home to 396 species of trees and 65 species of birds. In late 2015, AFD allocated loans to support the Martinique Regional Nature Park's actions to restore and promote this remarkable natural heritage.

FIGHTING AGAINST CLIMATE CHANGE AND ITS IMPACTS

Assessing, selecting and financing projects with regard to their impact on climate change and its effects

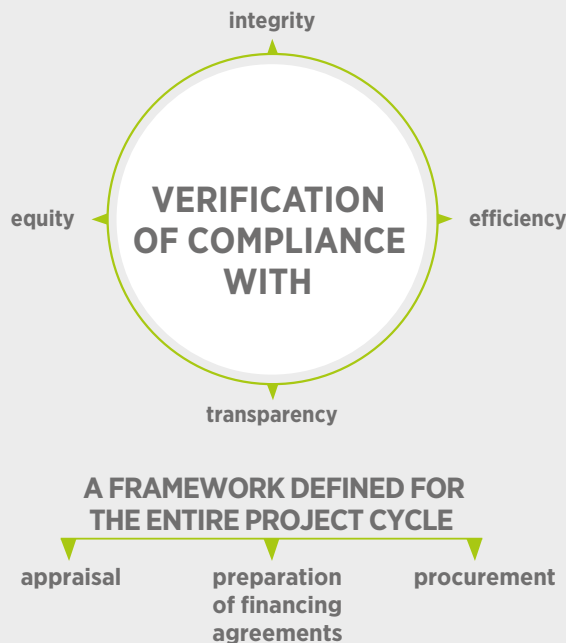
30

mitigation projects

cofinanced by AFD Group in 2015 will contribute to reducing or avoiding greenhouse gas emissions by 3.3m teq CO₂ a year throughout their lifespan

EUR 2.9^{bn}

In 2015, AFD Group committed EUR 2.9bn for "climate" projects



ENSURING THE PROPER USE OF FUNDS

Combating corruption, fraud, money laundering and terrorist financing during the project, always for the benefit of the most vulnerable populations

201

group officers

were trained in the risk of money laundering and terrorist financing

→ SUPPORT FOR THE DEFINITION OF NATIONAL CONTRIBUTIONS FOR COP21

AFD set up a EUR 3.5m grant facility which aims to assist African countries and Small Island Developing States in defining their national contribution in the context of the international negotiation on climate change (Intended Nationally Determined Contributions – INDCs). Twenty-six countries, mostly in Africa, directly benefited from short-term assistance in defining their contributions.

ENHANCING TRANSPARENCY AND CONDUCTING STAKEHOLDER DIALOGUE

Informing in an accessible and clear manner for high-quality dialogue and facing the judgment of stakeholders in order to enhance action and results

OVER
700

projects are presented on AFD and PROPARCO's websites

43%

of AFD's activity is published on the website of the International Aid Transparency Initiative (IATI)

4 strategies for AFD Group operations were presented to stakeholders:

Health and Social Protection

PROPARCO's General Strategy for 2014-2019

Mediterranean and Middle East

Sahel Region

Open Data - improving the understanding and dissemination of project data and facilitating its re-use

The Afd.Opendata platform was set up in early 2016 and gives access to information on AFD-funded projects and sectoral or/and thematic data covering the regions and countries where AFD operates. This tool has been designed to allow an easy reading, dissemination and re-use of data for all AFD's stakeholders. This Open Data tool contributes to enhancing the transparency of AFD's action for development.

SUPPORTING CAREER PATHS

Strengthening human capital and offering rich and motivating career paths

570

career interviews

were conducted by the Human Resources Department in order to support employees in their reflection on their career paths

100%

of employees benefit from the provisional management of jobs and skills

92%

Local staff representation

PROMOTING IN-HOUSE DIALOGUE

Encouraging a continuous and high-quality social and managerial dialogue

REDUCING THE ENVIRONMENTAL FOOTPRINT

Assessing the CO₂ emissions related to AFD's operation, reducing them, offsetting them and raising awareness

28,756

teq CO₂

fully offset through the acquisition of carbon credits

2 projects financed

Drinking water purification in Kenya

Fight against deforestation in Peru

→ COLLECTIVE REFLECTION: "AFD 2025"

Reflection on AFD's future, or "AFD 2025", mobilized everyone and involved collective work.

→ NEW DISABILITY AGREEMENT

A new disability agreement has been signed for 2016-2018, underscoring the aim of always developing more direct and indirect employment for people with disabilities.

CORPORATE SOCIAL RESPONSIBILITY APPROACH: 6 COMMITMENTS FOR PROGRESS

AFD Group's **Corporate Social Responsibility approach** adopted in 2014 underscores its aim of making sustainable development the objective of its action via six commitments covering the field of its operations and in-house policy. It is set out in an action plan for 2014-2016, which meets the objective of more effectively "informing, measuring and taking action".



Highlights

→ GRI G4 REPORT

AFD Group has adopted the new Guidelines of the non-financial reporting reference GRI G4 for its Corporate Social Responsibility report.

→ TWO NON-FINANCIAL RATINGS

The performance of the Group's Corporate Social Responsibility has been assessed by two non-financial rating agencies – Oekom and Vigeo Rating – which have both certified the soundness of AFD's environmental and social policies and practices.

AFD GROUP AND SUSTAINABLE DEVELOPMENT

Agence Française de Développement (AFD) is a public development finance institution that has been implementing France's development assistance policy for 75 years.

Globalization has come with a reduction in poverty, but has also caused new inequalities and tensions. Agence Française de Développement has set out to address these challenges by supporting an economic, social and environmental development that is fully in line with the Sustainable Development Goals adopted by the UN in September 2015.

AFD Group:

