Southeast ASA



#WorldInCommon

Our action in Southeast Asia

EDITORIAL

by Yazid Bensaïd, Regional Director of AFD in Southeast Asia

AFD's field of intervention in Southeast Asia covers seven ASEAN member countries: we've had a long-standing presence in Cambodia, Laos and Vietnam going back to 1993. We've subsequently extended our operations to Thailand in 2003, then to the Philippines and Indonesia, and finally to Myanmar in 2012.

Southeast Asia is particularly vulnerable to the consequences of climate change and facing multiple challenges arising from strong economic growth. Rapid urban development, increasing demand for energy, strong pressures on natural resources are amongst the key issues facing the region.

Against this backdrop of uncertainty, we at AFD Group intend to lead the way in better supporting the implementation of the Paris Agreement, which has been ratified by all ASEAN countries, by making available a wide range of financial tools (sovereign and non-sovereign loans, guarantees, grants, and technical assistance). We also hope to leverage our vast network for co-building low-carbon development paths together with – and for – our partners in intervention countries.

A regional directorate based in Bangkok was created in September 2018 in order to get closer to our agencies and key players in each of the intervention countries. It aims at increasing the effectiveness of our financing and action in the field. The regional management benefits from greater decision-making autonomy. It mobilises the agencies and partners with a view to better share our skills and is involved in strengthening dialogue with regional organisations, particularly ASEAN. Proparco, AFD's subsidiary dedicated to the private sector, also has offices based in Bangkok with regional jurisdiction. Finally, the upcoming integration of Expertise France into AFD Group will complement our offer by strengthening our expertise and technical assistance capabilities.

Capitalising on 25 years of partnerships in the region, our goal today is, even more than in the past, to enable our partners to fully benefit from all of our human, technical and financial resources. By harnessing these resources effectively, we aim to tackle the challenges in the region and its vulnerability to climate change.







will have a gender co-benefit.

Geographical commitment breakdown 2010-2018

7.2% 0.7% MYANMAR €278M LAOS €26M 28.1% PHILIPPINES 8.9% €343M VIETNAM €1,088M THAILAND €20M 14.0% CAMBODIA €542M 40.7% INDONESIA + €428M €1,574M for regional grant projects

Our commitment in a nutshell...



Over €4 billion

committed in the region *

48%

co-financed projects *

including 39% with the Asian Development Bank, 26% with the World Bank and 24% with the European Union





ongoing or completed in the region *





committed in 2018

* between 2010 and 2018

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Breakdown by sector



REGIONAL PROJECTS: BIODIVERSITY, HEALTH...

PROPARCO | THE PRIVATE SECTOR SUBSIDIARY

In 2018, Proparco, which is an AFD subsidiary dedicated to financing the private sector, committed €74M for ASEAN (€29M in Cambodia, €9M in Laos, €7M in Myanmar, €3M in Malaysia and €26M in multi-country projects) covering the health, microfinance and agribusiness sectors.

Interventions at the regional level



Support the Agroecological Transition in Southeast Asia (ACTAE)

165 members

The Agroecology Learning Alliance in South-East Asia (ALISEA), set up by GRET as part of the project, has 165 members.

CAMBODIA, LAOS, MYANMAR, AND VIETNAM

The ACTAE project's first phase aimed to develop a multi-stakeholder network that actively promotes agroecological initiatives in the Greater Mekong region. Equally important, the project aims to establish a scientific platform that not only facilitates information flow but also promotes sound agroecological practices. The key result is an agriculture project that combines productivity with due respect for the environment.

AFD and the European Union are now planning to expand its sphere of influence – particularly its technical activities – by tapping into the realm of consumers, citizens, and key decision makers. The aim is to encourage eventual adoption of ASEAN's joint declarations relating to agroecology.

ASEAN Catalytic Green Finance Facility (ACGF)

210 billion US\$/year are needed to meet infrastructure financing needs in Southeast Asia.

According to a study by the Asian Development Bank (ADB), infrastructure financing needs in Southeast Asia are estimated at US\$210 billion a year, when taking into account the cost of mitigation and adaptation to climate change. To fill this gap, ACGF – a multi-actor initiative initiated by ADB under the aegis of ASEAN – aims to encourage the private sector to invest significantly in green and climate-friendly infrastructure, through a mechanism to mitigate the risks associated with these types of projects. AFD, along with the European Union, the European Investment Bank, KfW and many others, is participating in this initiative with a grant of €1 million grant from the European Union and is committed to contributing to the financing of certain eligible projects.

Key strategic projects

AFD's multi-sector approach to climate change gives the agency a unique advantage in combating climate change effectively. AFD operates in a wide range of sectors, from maritime transport to agriculture, water and urban resilience.

Myanmar

- AGRICULTURE -

Better agricultural development of land, reduction of farmers' exposure to climate change hazards.

Co-financed with ADB, plus a grant from the European Union delegated to AFD.

 Rehabilitation of 36,000 hectares of irrigated perimeters in an arid zone and co-management of infrastructure for more efficient resource utilisation.

THAILAND ·

Support ecological transition.

Line of credit granted to Kasikorn Bank to finance energy efficiency projects and reduce the amount of energy consumed in tertiary buildings.

• Approx. 6,400 tons/eq CO2 saved per year.

Cambodia ·

- WATER -

Improved management of water and irrigation. Rehabilitation of the irrigation system in Kampong Thom province, which was particularly vulnerable to the consequences of climate change.

• 12,000 families can now grow all year round and have been able to diversify their crops.

- LAOS

Support for rural development and the promotion of agroecology.

Promotion of agricultural practices resilient to climate change.

88 water supply systems and 31 small irrigated systems.

VIETNAM - ENERGY & CLIMATE -

Support for the sustainable energy sector.

US\$100 million financing for the Huoi Quang hydropower plant project (520 MW).

In addition to equipment and works, two panels of experts were mobilised: one on safety and the other on the management of environmental and social impacts.

• 1.1 million tons/eq. CO2 avoided per year.

PHILIPPINES - RESILIENCE -

Public policy loans and technical assistance to the Ministry of Interior and Local Authorities for promoting in-depth decentralisation, particularly on the subjects of local resilience to climate disasters.

Co-financed with ADB.

 Development and implementation of a modern diagnostic tool for community resilience.

· Indonesia

- MARITIME TRANSPORT -

Assisting with the implementation of the government's public reforms.

Support for the maritime transport and logistics sector via a €150 M public policy loan, and support for the exchange of expertise between Grand Port Maritime of Le Havre and the Indonesian port authorities.

Co-financed with the World Bank and KfW.

• 6 study trips between the Indonesian port authorities and Port of Le Havre.

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Goal









AFD IS COMMITTED TO HELPING ASEAN'S NATIONS TACKLE NEW CHALLENGES









COMMITTED ANNUALLY

THROUGH MORE PARTNERSHIPS WITH OUR HISTORIC PARTNERS (ADB, EIB, EU, JICA, KFW, WB) AND WITH REGIONAL INSTITUTIONS (ACMECS, ASEAN, GMS, MRC).



The Agence Française de Développement (AFD) Group is a public entity which finances, supports and expedites transitions towards a more just and sustainable world. As a French overseas aid platform for sustainable development and investment, we and our partners create shared solutions, with and for the people of the global South.

Active in more than 4,000 projects in the French overseas departments and some 115 countries, our teams strive to promote health, education and gender equality, and are working to protect our common resources – peace, education, health, biodiversity and a stable climate.

It's our way of honouring the commitment France and the French people have made to fulfil the Sustainable Development Goals. Towards a world in common.

Find the contact details of all our agencies on our website.

www.afd.fr

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