# **Towards a World Description** 2018-2022 Strategy



#WorldInCommon

# **Our vision** A World in Common

AFD Group has a mission to help construct a world in common, a world that preserves and protects five important "common goods": people, planet, prosperity, peace, and partnership.

As an accelerator and facilitator, publicly-funded development finance proves essential for the collective preservation of common goods. When focused on mutual interests, it also creates ties between France and its Southern partners. For the 2018-2022 period, AFD Group has made five foundational commitments to promote these five global common goods.



### **100% Paris Agreement**

The Paris Agreement now stands at the heart of the AFD Group mandate. The Agency will draw on public and private resources to fund capital investments that protect the Earth from climate change and biodiversity loss: all project funding will finance resilient low-carbon development in keeping with the Paris Agreement.

### 100% social link

AFD Group will base its actions on their capacity to reinforce social cohesion within populations and between territories, reducing inequalities — particularly gender inequality — and increasing access to education.

AFD Group is convinced that the close interrelationship of these two major commitments – 100% Paris Agreement and 100% social link – constitutes the heart of the United Nations 2030 Agenda for Sustainable Development.



# **3D development** thinking

In fragile and crises-afflicted situations, sustainable development requires peace and stability, which in turn require resolutions for the social, political, and environmental causes of conflict. AFD Group pledges to uphold the third "D" in France's Defense, Diplomacy and Development trinity. Promoting a 3D vision for conflict prevention, the Group will work alongside other development professionals, complementing the work of humanitarian organizations and the French diplomatic and military corps.

#### Non-sovereign first

Alongside sovereign central governments, non-sovereign entities must also direct their investments toward attaining the SDGs. Local governments, public enterprises, civil society organizations, foundations, companies, and financial institutions all have a vital role to play. AFD Group will thus dedicate more funding to all of them in countries where it operates.

# Partnership

by design

The fifth AFD Group commitment to working with partners will affect all Agency commitments and operating modes. The Group will apply a very simple principle: a project conducted with a third party is always better than one undertaken alone. The United Nations 2030 Agenda for Sustainable Development and the Paris Agreement on climate – in their comprehensiveness, geographic universality, and relevance at every level from central governments to civil society – require a collective response made stronger through partnerships. The new AFD Group strategy therefore features a systematic openness to all potential partners.

# **Our actions**

The five commitments require that AFD Group reorganize its activities into a new action matrix. Based on a new regionalized reading of the world, this matrix situates the SDGs in a logic of transitions, with growing support from research and innovation.

# **3 global regions**

Each country, region and territory where AFD Group operates has specific needs and requests. Taking their differences and singular natures into account, the Agency now distinguishes between three geographies: "Whole of Africa", taking the full measure of the continent into account; "The Three Oceans", where France has its Overseas territories and seeks to propel regional development; and "The Americas and The Orients", where emerging countries bear a significant share of the challenges in adopting low-carbon, socially- and economicallyinclusive models.

## The Americas and The Orients

Promoting dialogue with emerging countries

# Innovation and research

AFD Group offers more than financing; anticipating future challenges, adding value to operations through knowledge, and thinking about future development today remain central to the Agency project.

AFD Group will reorganize for a more effective capture of collective intelligence and exploitation of its knowledge-production and expert network. Harnessing these resources will result in more finely-grained contextual understanding, innovative ideas, and predictive models such as the GEMMES macroeconomic and climatic modeling tool, and ultimately in solutions to share among countries.

## 6 transitions

All countries must define new development models that strike a balance between economic prosperity and ecosystem conservation, climate preservation, and social cohesion. All need to transition toward smaller ecological footprints and higher human development index (HDI).

AFD Group takes a clear position: We are all in transition, each with something to learn from the others. This stance encapsulates the revolutionary SDGs, their universality, comprehensiveness, and indivisibility.

## Whole of Africa

Taking full measure of the continent

## The Three Oceans

The Overseas territories connect France to the world

### AFD Group will assist these six transitions:

#### Demographic and social

AFD Group will finance basic social services, such as education and healthcare, while bolstering social cohesion.

#### Digital and technological

AFD Group will leverage digital technologies, knowledge transfers, and joint innovations to accelerate development pathways towards attaining the SDGs.

#### Energy

AFD Group will work to ensure universal access to reliable, sustainable, affordable, and decarbonized energy to keep global warming 1.5° to 2° Celsius above pre-industrial levels.

#### Political and civic

AFD Group will help reinvent governance models to increase inclusiveness and citizen participation.

#### Territorial and ecological

AFD Group will promote sustainable development of urban and rural territories, addressing ecological and social challenges.

#### Economical and financial

AFD Group will promote diversified economic models and financial systems, orienting resources toward sustainable development.

# Our positioning France's bilateral development-policy platform

As the French development-policy platform, AFD Group stands at the heart of development investment. It will host, unite, and extend the efforts of any individual, organization, or administration that can provide funding, expertise or implementation capacity to emerging and developing countries.

It will also serve as a base for innovations that meet the needs of populations and other development actors. AFD and its private-sector subsidiary Proparco, in concert with Expertise France once it joins the Group, will have the capacity — and therefore the responsibility — to extend its international reach and mobilize its French and European partners.

#### Financing

AFD Group will reinforce and expand its range of financial tools so that it can fund more projects and provide more rapid solutions tailored to partner needs.

#### **Partnerships**

Development effectiveness depends on acting in partnership rather than alone. For AFD, a "partnership reflex" means that it can realize more innovation, leverage, and value by working with European and French public- and private-sector actors who share its goals, including France's domestic development bank, the Caisse des Dépôts et Consignations (CDC). It also means working with other funders, particularly members of the International Development Finance Club (IDFC).

#### Private-sector mobilization

Every individual and all organizations have a role to play in attaining the SDGs. Financial institutions and companies that wish to maximize their sustainable development contributions while minimizing their environmental and social impacts may draw on AFD project support, bolstered by renewed means.

# Expertise and commitment

AFD Group will welcome many new employees into an agile, innovative organization that fosters gender parity and provides new forms of collective intelligence, such as incubators, massively open online courses (MOOCs), and innovation labs. The Group has realigned its expert functions – its "know-how" – into thematic departments that correspond with its new organizational action matrix and five commitments.

#### Digital technologies

AFD will guide digital and technological transitions in many countries, transforming itself through new skills, such as data analysis, and new tools, such as design thinking. It will create a "digital reflex" to increase the fluidity of its knowledge base and harness collective intelligence more effectively in project creation.

# Societal responsibility

AFD Group has designed a new societal responsibility policy that aims to ensure consistency between its operations and its mission while bolstering the transparency of its actions. The Group will rise to the challenge of precise accounting for its use of funding received and the impact of its actions.



International development-policy goals have changed radically over the past two years with the Sustainable Development Goals (SDGs) and the Paris Agreement on climate change. In turn, France now aims for its official development assistance (ODA) to reach 0.55% of gross national income (GNI) by 2022.

AFD Group, the principal player in French development policy, designed its 2018-2022 strategy to meet these new challenges and goals, as summarized in this document.

These strategic guidelines draw on a year of deep thinking and extensive consultation with French citizens and with AFD Group partners and civil society in France and in developing and emerging countries.

The AFD Group 2018-2022 Strategy rests on a vision of **"a world in common"** and **five foundational commitments that underpin all actions:** 

100% Paris Agreement 100% social link 3D development thinking Non-sovereign first Partnership by design

Meeting these five commitments requires that AFD Group reposition itself and reorganize its activities into a new action matrix, in order to do more and better in areas where the Group has recognized expertise and legitimacy. The AFD thus aims to make development policy into a genuinely solidarity-based investment policy.

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