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Digital transition

Strategy 2021-2025

#WorldInCommon

TOWARDS A FREE, ACCESSIBLE AND RESPONSIBLE DIGITAL WORLD

AFD GROUP

AFD Group carries out its development mission in line with the priorities set out by the Government, in particular through the Comité interministériel de la Coopération Internationale et du Développement (Interministerial Committee for International Cooperation and Development – CICID), and in the AFD Group Strategy 2018-2022, structured around five commitments:

- **100% Paris Agreement** – Our financing is compatible with a development that is both low-carbon and resilient to climate change. AFD Group also aims at mobilising public and private investment in this direction.
- **100% social link** – Our projects strengthen social links by contributing to the improvement of people's well-being and the resilience of societies, particularly by reducing all forms of inequality.
- **3D development** – Intervention in fragile and crisis-afflicted contexts, alongside other actors, to uphold the 3 "D" triptych, namely "Defence, Diplomacy and Development".
- **Priority to non-sovereign actors** – AFD will contribute to the financing of non-state actors – private sector, local authorities, civil society organisations, foundations…– in order to guide them towards sustainable solutions.
- **Partnership by design** – Our projects are open to new actors to amplify the sharing of experiences and improve their efficiency.

In keeping with these five commitments, the Digital Transition Strategy sets out AFD Group's main orientations in the digital sector.

The Group's action supports and accelerates the six major transitions in which the world is engaged: demographic and social, energy, territorial and ecological, digital and technological, economic and financial, and political and civic.

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EXECUTIVE SUMMARY

The use of digital technology is increasing in all countries. As an undeniable tool for individual emancipation, which for example facilitates access to information and numerous services, it has also proved to be an essential factor of resilience during the Covid-19 health crisis, by allowing the continuity of a large number of activities, even if all sectors were penalised due to travel restrictions. With digital technology – which is not highly intensive in physical capital – entrepreneurial innovation is democratised and accelerated. The ideas of creative entrepreneurs are more rapidly confronted with the real needs of targeted markets. False good ideas are eliminated more quickly. And those that are commercially successful may become global oligopolies, namely the digital platforms. At the same time, however, this dramatic increase in the use of digital technology reveals genuine social and environmental risks. Digital technology is, in some ways, a catalyst for social inequalities since a large part of the world's population remains deprived of access to the Internet – we speak of the "digital divide". It can also be used for surveillance or control purposes, thus calling for extreme vigilance in protecting freedoms. Through the intensification of its use and the excessively short lifespan of its devices, digital technology is also responsible for a growing share of greenhouse gas emissions, in a world where the model of digital sobriety has yet to be created.

The G7 presents digital technology as a major opportunity for development in Africa. Considering the aforementioned opportunities and risks, the digital transition promoted by AFD Group sets itself the objective of increasing access to digital technology, as indicated in target c of Sustainable Development Goal (SDG) 9, by taking into account both environmental constraints and the challenge of protecting individual freedoms. More broadly, it resonates with the 17 SDGs to accelerate their achievement.

AFD Group is a leading digital donor alongside the World Bank and the European Investment Bank (EIB). For several years, the share of digital technology has been steadily increasing in the Group's approvals. In 2018, nearly 8% of the total volume of AFD financing and over a quarter of projects supported activities directly related to digital technology. Since 2016, Proparco has granted 43 million euros in financing to support digital start-ups. At the same time, Expertise France is increasingly conducting cooperation projects relating to this transition. Today, all of AFD's technical divisions finance projects integrating digital stakes: the sectors of e-health, e-education, e-governance, smart grids, smart cities and mobility, fintech, agritech, etc.

3 COMMITMENTS
Provide access to the Internet and its services for all
Bring online the key services for each strategic transition
Put the creation of innovative companies at the service of development

3 LEVERS
Promote the governance of digital resources in the form of "commons"[1]
Place citizens at the centre of frequent experimental tests
Protect personal data and the environment

[1] It is not only a question here of recognising that we have a digital world in common, but also and above all of supporting a participatory and inclusive governance of digital resources through common property mechanisms (complementary to private and public property).

Commitment 1 – Provide access to the Internet and its services for all

The Group's first commitment in its digital transition strategy is to provide access to the Internet and its services for all. The first step consists in developing access to physical infrastructure, such as submarine cable networks, terrestrial optical fibres or telecommunications antennas, or even data centres, wherever their development can contribute to the reinforcement of social ties without an adverse effect on the climate.

It also involves developing intangible infrastructure – software and data – essential for inclusive access to application services. These include, for example, key systems for digital identification of citizens.

Finally, it is about helping organisations to design online services that do not put vulnerable citizens in a situation of disability or even exclusion.

Commitment 2 – Bring online the key services for each strategic transition

The Group's second commitment to digital transition is to bring online the services that are key to the success of each of the five other transitions in the AFD Group Strategy 2018-2022.

The development of e-health, the digitisation of social protection systems and e-education are contributing to an increase in coverage and possibly accessibility to these essential services. Digital technologies are making energy systems smarter: more efficient and able to make the best use of intermittent sources of renewable energy. Cities are also becoming "smarter" as urban authorities use digital technology to gain in efficiency and meet local development challenges. In the countryside, farmers are using digital technology to work together and improve access to their markets. Digital technologies can also give States the opportunity to improve the management of their public finances, modernise their administrations, including the judiciary, and increase citizen participation. Public and private banks are investing with the Group's support to maintain or strengthen their competitiveness and consolidate local financial systems, while deploying more inclusive financial services.

Commitment 3 – Put the creation of innovative companies at the service of development

The Group's third commitment is to encourage digital entrepreneurial innovation to support the general interest. By offering digital services that are simpler, more practical and less expensive than their usual alternatives, digital entrepreneurs are making essential everyday services (information, education, work, travel, etc.) more accessible. At the same time, this innovation is preparing the jobs of tomorrow in an expanding economic sector.

It is therefore a matter not only of strengthening the networks of incubators and other support structures for the creators of innovative businesses, but also of financing these entrepreneurs at each step of their project and deploying training schemes for digital professions. In Africa, these actions are carried out under the Digital Africa label, which includes numerous financing and training programmes for entrepreneurs financed by AFD (Afric'Innov, AFIDBA, SIBC, AFD Digital Challenge, etc.).

Three levers accelerating digital transition

These commitments can have a positive social impact provided that the Group prioritises projects whose governance takes the form of commons, that is to say, managed in a participatory and inclusive manner by communities of citizens who own, use, protect and develop the financed assets according to their own collective rules.

For innovative digital projects, the Group also favours those developed using "agile" professional methods. These methods, stemming from the digital industry, are characterised by structured and frequent back-and-forth communication with citizens. They involve users and contributors at each of the design stages to detect false ideas for sound investment as early as possible and to measure as rigorously as possible the impact of the project on the daily lives of its beneficiaries.

Finally, in its projects, the Group promotes and implements the positions adopted by France with regard to the protection of individual freedoms and citizens' personal data. A specific effort also aims to develop and validate the types of digital investment that are carbon negative (i.e. with the strongest mitigating impact on greenhouse gas emissions) and the most resilient to climate change.

1.

THE CHALLENGES OF THE DIGITAL TRANSITION

In our societies, digital technology is advancing at unprecedented speed and can be a powerful engine of development. It can offer populations vital access to basic services (administrative, financial, health, etc.), even for the most vulnerable, provided it meets their needs and capacities. It multiplies the possibilities of communication, information and free expression. Its different uses are already widespread in developing countries. Thanks to digital technology, 181 million people[2] in sub-Saharan Africa now pay their bills, transfer money or pay for their purchases via their phones. In developing countries, the average rate of mobile phone penetration is over 80% and will soon pass the 50% mark in the 20 poorest countries.[3]

The use of digital technology is driving global growth. Between 2016 and 2026, the global digital economy is expected to grow from 15.5% to 25% of world gross domestic product (GDP).[4] Besides, faced with the Covid-19 health crisis, major disruptions of ecosystems, disasters or conflicts that limit movement or require more public responsiveness or mutual aid, digital technology and its collaborative practices can strengthen the resilience of territories: e-services, teleworking, online learning, public health information, mutual aid, social innovation, maintaining the connections necessary for the functioning of the economy and administration, e-commerce.

The expansion of digital technology evidently entails a certain amount of risk. On the one hand, cybercrime is proliferating. On the other hand, some states are industrialising citizen surveillance, manipulating information or censoring the Internet. With their very broad capacity for gathering and controlling personal information, the large digital platforms have acquired the power to undermine individual freedoms through private data breaches and new forms of disinformation. These platforms can aggravate labour market imbalances (e.g., by industrialising the use of remote workers in socially less favourable jurisdictions) and the social exclusion of unconnected people, and also weaken the sovereignty of States by undermining their fiscal bases.

The observed growth fuelled by digital technology also has more concrete downsides: the mass production of rapidly obsolete connected goods consumes a growing proportion of limited resources. The digital energy footprint is growing by 9% a year and the share of digital technology in GHG emissions, estimated at 3.7%, could double by 2025.[5] Can we envisage a new model that reconciles growth and digital sobriety?

The challenge of a successful digital transition therefore rests on our ability to direct digital development towards the achievement of sustainable development goals (SDGs) while respecting the limits of the environment and preventing the risks of misappropriation of its use which would harm individual freedoms and social cohesion.

[2] International Telecommunication Union 2020 statistics and indicators.
[3] GSMA State of the Industry Report on Mobile Money, 2019.
[4] World Bank statistic https://www.worldbank.org/en/topic/digitaldevelopment/overview
[5] The Shift Project, 2018, “Lean ICT – Towards digital sobriety”.

2.

AFD GROUP'S FRAMEWORK FOR ACTION

2.1. DIGITAL TECHNOLOGY AS A FACTOR OF DEVELOPMENT

This strategy sets out the vision and framework for action by AFD Group (AFD, Proparco and soon Expertise France) to promote the digital transition. It is one of the six transitions[6] that the Group supports as part of the AFD Group Strategy 2018–2022.[7] This strategy is consistent with the commitments and priorities of French development policy.

Contributing to the achievement of the SDGs

Target 9.c of the Sustainable Development Goals (SDGs) commits to "significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020." Beyond access, digital technology is also one whose uses are transforming society to accelerate the achievement of the 17 SDGs, without exception (e-health, social protection systems digitisation, e-education, e-government, e-agriculture, smart cities, etc.).[8] Digital technology plays a particularly critical role in achieving the SDGs related to industry, innovation and infrastructure (SDG9), sustainable cities and communities (SDG11) and responsible consumption and production (SDG12).

Its impact is also important in maintaining and improving free and effective access to human rights.

It is with this vision, that our Group Strategy 2018-2022 is positioned: **to use digital technology as a lever to accelerate development trajectories and achieve the SDGs.**

Political support

Since 2019, the European Commission has made digital technology one of the six priorities on its policy agenda. Its commitments relate in particular to the regulation of technologies, European sovereignty, cybersecurity and the transformation of the administration and education fields.

The G7, gathered in Biarritz in 2019 under the French presidency, considered that "digital transformation could be a game-changer for the African continent. It is an opportunity to boost economic growth and industrialisation, alleviate poverty and improve people's lives". The main issues identified by the G7 relate to innovation, economic growth and job creation as well as access to the Internet to combat inequalities. The priority objectives are digital access infrastructure, digital skills, digital technology for the private sector, digital applications in health, agriculture, energy, trade and governance, digital risk management and the sharing of sound digital regulation practices.

Aware of the potential of digital technology to transform societies and accelerate development, **France adopted an international digital strategy in 2017.** This strategy promotes a digital world that is open (governance and interoperability), diversified (access in all countries, linguistic and cultural diversity, shared innovations, fight against disinformation...) and trustworthy (law, crime). It also encourages a European digital technology based on reaching a balance between public freedoms, growth and security. Finally, it aims to reinforce the influence, attractiveness and security of France and French digital stakeholders.

This French strategy is echoed in several European and international initiatives. In 2018, the 75 states that signed the **Paris Appeal** pledged to promote "trust and security in cyberspace". They aim to uphold people's rights and their online protection, as is already the case in the physical world. This strategy is also relayed at European level. In Prague, in December 2019, French Minister Le Drian recalled France's wish to promote the vision of "a digital world that is **free, open and safe** [...] **organised** around common goods that are not captured by those who hold de facto monopolies".

In February 2018, the **Interministerial Committee for International Cooperation and Development** (CICID) pointed out the importance of digital technologies as a cross-cutting means of achieving the sectoral objectives of French development policy, particularly with regard to the quality and democratisation of teacher training offers and systems, higher education, and research and innovation.

[6] In its Group Strategy 2018-22, AFD supports the development of six transitions: demographic and social, energy, territorial and ecological, political and civic, economic and financial, and digital and technological.

[7] https://www.afd.fr/en/ressources/afd-group-2018-2022-strategy

[8] According to the UN High-Level Panel on Digital Cooperation, 2019.

2.2. 100% PARIS AGREEMENT AND 100% SOCIAL LINK COMMITMENTS

AFD Group is the leading climate donor and is committed to being "100% Paris Agreement" compliant: all of its financing contributes to low-carbon and resilient development trajectories.

The digital sector, and the associated projects, can have a significant negative environmental impact, in particular through the production of devices with an excessively short useful life. If we control its environmental risks, digital technology can be used to improve the environmental impact of other sectors, such as transport (e.g., telemedicine, distance education and teleworking limiting travel) or energy (implementation of smart electricity grids). It strengthens the resilience of territories in crisis situations, such as hurricanes or floods or during pandemics, by contributing to the continuity and resumption of public- and private-sector activities.

The ecological footprint of digital technology has led AFD Group to prioritise projects with "climate co-benefits": projects that benefit both development and the fight against climate change and its effects, with no harm to the natural environment.

In addition, AFD Group has set itself the goal of becoming the first "100% Social Link" agency. Digital technology is a cross-cutting strand of this commitment, as a service crucial to social cohesion. Digital technology offers segments of the population, in particular the most vulnerable and those living in landlocked or island regions, an unprecedented access to basic services (distance communication, access to knowledge in all its forms, to health services, job offers, rights, administrative procedures, new markets, etc.), on condition that these citizens are given the basic skills on how to use these services. Digital technology offers professional opportunities to young people in the areas of IT development, design, data science, etc., and constitutes a significant reservoir of decent or skilled jobs in many countries. Finally, social protection tools are based on management systems (identification, eligibility, distribution and monitoring), whose efficiency is enhanced by digital technology. In accordance with its 100% social link strategy, AFD will ensure that digital projects do not worsen inequalities, be they social, environmental and/or climatic.

3.

STRATEGIC COMMITMENTS FOR THE DIGITAL TRANSITION

Faced with geopolitical threats in which digital technology is a vector, this strategy bears a specifically French and European signature: that of digital commons at the service of citizens and nature. Its purpose is to guide a transition to a freer, more accessible and more responsible digital world: freer for sovereign partner states and, above all, freer for citizens governing their uses and innovations in the form of commons; more accessible to all, in a deliberately inclusive manner, and especially to the most vulnerable citizens; and more responsible, through uses and technologies that protect personal data and the environment.

3.1. COMMITMENT 1 – PROVIDE ACCESS TO THE INTERNET AND ITS SERVICES FOR ALL

In line with the "100% social link" commitment of the AFD Group Strategy 2028-2022 and Target 9.c of the SDGs,[9] AFD Group supports the deployment of high-speed telecommunications infrastructure. It also encourages the creation of inter-administrative software infrastructure, such as the digital identification of citizens. Finally, the Group is strengthening the capacity of its counterparts to design online services that are usable and accessible for all, including the most vulnerable populations, even if this means offering them individual assistance and the local mediation tools they need to become computer-literate in an equitable manner.

3.1.1 Develop physical infrastructure for Internet access

Only 47% of households in developing countries have fixed or mobile Internet access from their home,[10] with huge territorial disparities. Private and public investments in digital infrastructure are not sufficient to cover markets that are too small or fragile, especially in countries in crisis and rural areas. In addition to private funding, public donor intervention is therefore essential, in line with the principle of subsidiarity that underpins all of AFD Group's interventions. The STOA investment fund completes the Group's offering with equity tickets of between €10 million and €50 million, and has developed an active strategy on digital and telecommunications infrastructure. A first significant investment was made in MFN, a South African company that builds and operates fibre optic networks.

This commitment is essential for French economic diplomacy in view of the positioning that major French industrial groups such as Orange have taken in Africa.

From the first mile to the last mile

AFD Group supports the deployment of high-speed telecommunications infrastructure at various levels. This could involve the "first mile" when countries are connected, especially by submarine cables, but also the "middle mile" by developing fibre optic highways to interconnect large urban centres. And up to the "last mile", to distribute access via broadband mobile phone or optic fibre. AFD also finances national regulatory programmes for telecommunications infrastructure to promote more inclusive access and network neutrality vis-à-vis content providers (on the issues of freedom of expression and innovation).

Extend network coverage even to the most vulnerable

In the development of physical access infrastructure, priority continues to be given to investments aimed at land locked countries, as well as isolated, unstable or poorly served territories, in order to meet the needs of the most fragile and most vulnerable populations exposed to the emerging social divide linked to disparities in access to digital tools. AFD is studying the potential of innovative models for extending network coverage, particularly through alternative technologies and models of access distribution (last mile) which minimise operating costs (with solar energy, infrastructure sharing, community networks, excluding 3G technology, etc.).

When deciding on its financing approvals, AFD Group is particularly interested in the economic models that are associated with investment projects. Public-private partnerships continue to be promoted for investment and network operations, where possible. Innovative business models are being tested (Levers 1 and 2) in order to protect and develop access to digital technology for populations who are the most vulnerable and far-removed from digital technology.

[9] SDG9, Target c: "9.c significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020."

[10] International Telecommunication Union, 2019 statistics (http://www.itu.int/ict/statistics).

Develop data centres

Data centres, which concentrate data, services and a performance aspect of service access, are the new key points of the digital economy. In this sector, the Group gives priority to financing data centres whose environmental sobriety and level of security are exemplary. Ideally, they could be "sovereign" data centres governed by a public authority, or cooperatives governed by an open community of users according to rules that are defined by the community itself (an open "common", cf. Lever 1).

With some exceptions, terminals (phones, tablets, computers, etc.) are not funded.

Connecting the Polynesian archipelagos

Several Polynesian archipelagos remain poorly connected to the Internet, to the chagrin of their populations and businesses. In 2018, the Polynesian Post and Telecommunications Office (OPTP) borrowed 55 million euros, including 6 million from AFD, to connect the 22,000 inhabitants and 40,000 tourists on 20 islands of Marquesas and Tuamotu to broadband Internet. A 2,600 km network of submarine cables and radio antennas has been deployed.

3.1.2 Develop software infrastructure for accessing online services

Administrative services are moving towards dematerialisation across all sectors of public action in many of AFD's partner territories (see Commitment 2). However, this transition is often made in a disorganised manner. Without a global approach mobilising all the administrations of a given territory, each administration tends to dematerialise its activities without coordinating with its partners. It tends to lock its citizens' dossiers into the "silo" of its own specific bureaucratic logic, much to their detriment. This complexity is discouraging and makes using these services impractical, relatively expensive and risky, including in terms of cybersecurity.

In this context, AFD is striving to de-silo public services in partner territories by developing a secure software infrastructure shared between various administrations in order to globalise and democratise access to online services.

Concretely, developing intangible infrastructure for access to online services in a given territory involves:

- identifying and authenticating citizens to give them access to public services. To meet this need, **AFD is developing digital identity systems** in partner countries, focusing on controlling the significant risks that these systems pose for individual freedoms (cf. Lever 3),
- consolidating public capabilities in **cybersecurity, as Expertise France is already doing** in West Africa with the OCWAR-C project (technical assistance and training of experts, creation of emergency services – CERT – or security operations supervision – SOC – or even national agencies in charge of information systems security),
- simplifying citizens' access to public services by securing and regulating sharing of their personal data between administrations,
- assisting States in building and implementing open repositories and standards for interoperability between information systems (like the French General Interoperability Repository), and Web accessibility (like the French General Accessibility Framework for Administrations),
- opening access to general interest data in a territory by organising the public sharing of reference data (open data, in particular for geolocated data such as postal addresses) and the pooling of software components essential for automating dialogue between administrations.

Cet engagement est important pour la diplomatie économique française. En effet, AtoS, une entreprise française de services numériques de taille mondiale, est positionnée sur le segment *open source* du marché de l'identité numérique, tandis que deux des trois principaux éditeurs mondiaux de solutions propriétaires d'identification numérique sont également français (Thalès et Idemia).

Identifying 148 million Nigerians

In 2020, fewer than 40% of Nigerians had an official identity document and access to social services remains very unequal. To face these challenges, the State of Nigeria is borrowing USD 430 million, including USD 100 million from AFD, to provide 80% of its population, i.e. 148 million people, especially women and children, with an individual digital identifier. This identifier facilitates access to public (health, education) and private (banking) services under good security conditions for the privacy of individuals, even the most vulnerable.

3.1.3 Design services accessible to all

For digital technology to become an infrastructure that can really strengthen social ties, hardware and software access infrastructure are not enough. This observation applies even more to vulnerable individuals such as people who are not used to reading or do not speak a national language (migrants), or who suffer from physical or mental disabilities or discrimination (particularly gender).

Indeed, these vulnerable citizens often do not have the benefit of services that have been designed to respond to their actual capabilities. Neither do they benefit sufficiently from local assistance to help them learn and master these services, let alone use them on a daily basis. Too complicated and too impractical, these services thus remain unusable, inaccessible to those who may need them the most. As a result, the designers of these services put or maintain people in a situation of disability or even exclusion.

This is why the Group finances **digital inclusion** projects focusing on:

• strengthening the capacity of counterparts to design online services by actively involving the most vulnerable citizens in the process (cf. Lever 2),

• developing software technologies that automate the adaptation of digital services and content to the capabilities of citizens most at risk of exclusion (e.g., automatic translation into the local language, cf. Lever 1),

• developing networks of one-stop service centres so that local mediators (retailers, community associations, mobile agents, etc.) deploy new services and assist citizens who need them the most,

• training in basic digital skills (smartphone use, text writing, online payment, personal cybersecurity practices, etc.) for populations targeted for their vulnerability.

Adapting digital finance to the needs of Senegalese women and the youth

In Senegal, less than one in ten adults has a bank account. Mobile financial services, despite their growth in cities, remain unsuitable for populations in rural areas. Thanks to the €783,000 grant from AFD, the non-governmental organisation Oxfam is training 13,000 people, including 9,000 women, to use their mobile phones to manage their finances. Oxfam is raising awareness among policymakers about the importance of tailoring mobile financial services to the needs of rural women and youth.

3.2. COMMITMENT 2 – BRING ONLINE THE KEY SERVICES FOR EACH STRATEGIC TRANSITION

Digital technology has wormed its way into our daily lives and all sectors of activity. From multinationals to small businesses, including administrations, schools and neighbourhood associations, each structure makes ample use of this technology to simplify, improve or revolutionise its products, services and its ways of doing things. All areas of life are being transformed through e-education, digitisation of social protection systems, e-health, e-mobility, smart cities, smart electricity grids, digital financial services (fintech), agritech, and many more sectors, Development-related professions are following this change, by transforming and modernising. **In its Group Strategy 2018-2022, AFD positions the digital transition in harmony with each of the other five transitions for a world in common to accelerate and multiply the effects.**

In each of these transitions, the Group's counterparts can select various strategies to bring online their services to populations.

3.2.1 Support the digitalisation of organisations

Some public or private organisations in the global South are hoping to catch up a development gap through digital technology, and take shortcuts, or "leapfrog", over unnecessary technological steps. AFD can support these technology leapfrogging strategies. For example, rather than creating a new public service by reproducing the historical trajectories of the global North, distributed by flows of

people (buildings, counters, agents visiting homes), then paper (forms, statements, invoices) and, gradually, digital data, the aim is to get rid of unnecessary physical flows, focusing only on the most modern channel and distributing the service only as "all-online". This then becomes a radical innovation.

When these technological shortcuts prove impractical, it is a matter of adapting one's ambition for modernity to one's risk-taking capacity. An operator can simply modernise its information system to improve performance, without having to completely overhaul their processes, organisation or relationship with its customers. It will, however, still need to drive these changes with internal training and communication. A more ambitious and more efficient organisation may decide to improve its service offering by taking advantage of digital channels to communicate with citizens and incremental digital innovations. To do this, it must partially reorganise itself, update its business model and drive a more complex change. We are then talking of digital transformation.

And should the offer of current operators be too complicated, too impractical or too costly to meet the needs of a slice of the population, an entrepreneurial innovation approach may be necessary, whether within the administration (by applying the model of the French public service incubator beta.gouv.fr, for example) or by supporting private entrepreneurial innovation (see Commitment 3).

3.2.2 Demographic and social transition – Finance basic social services and strengthen the quality of social link

Digital transformation of education, training and professional integration

Digital technology radically improves education system management, training course organisation, the link between educational institutions and their audiences or the community, professional practices and learning methods. It gives everyone access to a multitude of educational resources to learn at their own pace, anywhere, including outside traditional training locations. Digital technology is also increasingly central for recruitment and job seeking and makes a decisive contribution to the professional and social integration of individuals. The entire training and professional integration system is transformed by digital technology.

By taking into account local specificities and operators' capacities, and in conjunction with other initiatives led by Team France in this area, AFD is committed to the following:

- connectivity development for educational and research institutions, via the support for national research and education networks (NREN – National Research and Education Network), which strengthens the national links between universities, provision of digital services (wifi on campuses, videoconferencing, etc.) and access to educational and scientific resources (African and European),
- digital teacher training, online production and educational resource-sharing,
- digital transformation of teaching practices, tools, methods and teaching resources for a more active, collaborative and personalised pedagogy,
- development of blended learning, which combines online and face-to-face learning in formal or autonomous contexts,
- development of information systems with open platforms and education management tools simplifying access to data, increasing transparency and allowing for more granular management of the education system,
- development of digital skills within teaching programmes – including basic skills (cf. Commitment 1.3) and those expected by employers in all professions (office automation, collaboration, etc.) or even those specific to digital professions,
- training for digital professions through the structuring of professionalisation mechanisms (web developer, design, etc.), offering young people employability and rapid integration into the work place,
- establishment of high-quality technical courses in the digital field, making it possible to provide local ecosystems with high-level profiles, working in technological fields of the future (data science, artificial intelligence, etc.),
- supporting counterparts to forge mutually beneficial and reliable partnerships with educational innovators who could contribute to the mitigation of social inequalities,
- the digitisation of public employment services, to promote the match between job supply and demand for the benefit of the general public and employers.

The Youth, Entrepreneurship and Digital Initiative in Tunisia (JET)

The JET initiative was launched during the state visit of President Macron in 2018. In this context, a grant of €3 million was granted by AFD to the Fondation Tunisie pour le Développement in order to train many young graduates in digital technologies in 10 medium-sized towns particularly affected by unemployment (ELIFE project).

E-health and digital technology for social protection, health monitoring and use of health data

AFD finances digital projects responding to multiple challenges in the health and social sector. Depending on the capacities of the country's health and social system, digital technology:

• improves the circulation of health and social information, enhances the reliability of the care and monitoring of the beneficiary patient,

• strengthens the management of the sector through health monitoring information systems, epidemiological monitoring, more detailed and immediate regulation of hospital activities and health insurance,

• improves responsiveness and efficiency in a crisis,

• facilitates and democratises access to care through telemedicine (remote medical consultation) or telehealth (information, prevention, collaboration, professional or general public training applications),

• redefines health and social mapping by evening out the gaps between areas with low and high medical density, harmonises health and social services;

• optimises and makes health and social protection systems more efficient and transparent, the economic dimension being one of the essential challenges for the use of ICT in this sector.

Data and systems security is a crucial point for the Group when appraising projects in these sectors, as well as interoperability, the promotion of open knowledge- and data-sharing.

Making healthcare more accessible in Tunisia

In 2019, a loan of €27.3 M to the Tunisian State was agreed to reduce regional inequalities in access to specialty care, thanks to five telemedicine initiatives aimed at modernising the information system of 15 public hospitals (medical imaging, computerised medical records, etc.) and structuring the local e-health ecosystem.

3.2.3 Energy transition – Ensure access to modernised, carbon-free and affordable energy for all

Some current energy systems are not sustainable.To become so, they must transform and increase the share of renewable energy in the energy mix. Increasing their efficiency and extending networks or off-grid power systems are also pillars of a successful energy transition.

In this regard, AFD:

• supports the modernisation of electricity companies by mobilising all the new technologies referred to as "smart grids". These systems, which combine information technology and electrical equipment, optimise the production and distribution of electricity,

• helps to increase the integration of intermittent renewable energies (solar and wind) into the grid using digital technologies,

• supports electricity companies in the transformation of their management and information systems, essential to improving their efficiency and integrating new opportunities for collection (mobile payment) and relations with users, in order to make them proactive in terms of energy sobriety (e.g., by acting on their electricity consumption).

Financing innovative energy models adapted to their users

Digital technology has revolutionised energy access models, in particular through the development of "pay-as-you-go". This solution allows users with modest incomes to have a solar kit and pay their subscription via their mobile phone. The Group finances these innovative models, which range from individual solar kits to mini-grids intended for a larger base population. For this, AFD mobilises grant resources or guarantees, such as the Digital Energy Facility (DEF) supported by the European Union.

3.2.4 Territorial and ecological transition – Develop urban and rural territories taking into account ecological and societal issues

Digital technology makes urban development sustainable, transforms mobility, and supports family farming and nature conservation.

Smart city

Cities, as the most connected territories, are at the forefront of the digital transition by becoming smart cities, that is to say, more sustainable and more inclusive thanks to new technologies. In these urban centres, digital transition optimises urban services, brings local administrations closer to inhabitants, improves planning, including within a logic of resilience when faced with risks and crises. It also contributes to upgrading the management of local finances and the transparency of municipal authorities.

With AFD, urban authorities are leading a twofold change, namely operational and organisational. The challenge for these authorities is not so much to conform to the "smart city" model but to gradually integrate useful digital tools with realism and pragmatism. To do so, municipalities identify very concrete challenges and test small-scale solutions before applying them to their entire territory (test and learn approach, cf. Lever 2).

E-Mobility

Digital technology is also bringing about a profound change in the organisation of mobility systems and the role of public authorities in this area.

Digital innovation optimises residual transport capacities (sharing of infrastructure or vehicles), creates new services for mobility, passenger information, network management, payment and security. At the same time, technologies are encouraging the development of smart vehicles, such as self-drive cars, urban drones, etc.

AFD supports public actors and defends as much as possible free access to data that can be used as a service infrastructure (transport offers, addressing, cf. Lever 1). Collected mainly by geolocated smartphones, these data are a crucial to optimise smart transport systems and traffic management applications.

E-Agriculture

Digital technology gives family farming, particularly women active in this field, access to useful information to sustainably improve their production levels, their trade and increase the added value of their produce.

Information, training modules and best practices are shared online or through Facebook or WhatsApp groups. Direct access to market prices gives farmers greater power in their negotiations with traders. The traceability data for agricultural and forestry products develop sectors with higher added value and help to improve farmers' incomes. The use of sensors of all kinds opens the field to Big Data and artificial intelligence analyses, applications that are particularly useful in projects optimising agricultural production.

Satellite observation data make a valuable contribution to forest management and water resources management and AFD supports public administrations in the use of these data (training, setting up of geographic information systems) and encourages open data approaches.

3.2.5 Political and civic transition – Involve stakeholders in public governance

Digital technology is a powerful lever for reform and transformation at the service of the political and civic transition of emerging and developing economies.

In the area of democracy and citizenship, it makes it possible to promote access to information and public data through open government and e-governance projects, thus strengthening the potential for democratic controls. Digital technology can thus be an essential tool for civic education. For democratic processes, it facilitates public debate and provides tools for election observation and independent citizen monitoring.

The modernisation of administrations and the institutional reform of States to improve the provision and quality of public services are also development policy priorities. Through the digital solutions it offers, digital technology and its related benefits such as digitisation, speed and flexibility, is a powerful lever for accelerating and modernising public service. It promotes access to the law and services, thereby contributing to the promotion of justice for all. Digitisation applied to matters of civil status and identification opens the way to important improvements in efficiency and access to services and constitutes a guarantee of safeguarding identities in conflict-prone countries, where civil status is often the first "administrative" victim of destruction. It can be reinforced by the issuance of biometric paper identity documents (e.g., identity cards) given the high inequalities in Internet coverage and access in many countries.

Thanks to Internet coverage, social and territorial divides can be reduced in places where the physical structure of public services has sometimes failed. In the quest for traceability, accountability and optimisation of resources, digital technology applied to financial governance offers tax administrations unparalleled performance tools. Overall, being perceived as a tool and an opportunity and not as an end, digital technology tends to bring citizens and administrations together physically, thanks to its virtual dimension.

3.2.6 Economic and financial transition – Promote diversified and sustainable economic models and financial systems

The development of digital financial services holds promise for enhancing the financial inclusion of the most vulnerable populations. Digital financial services (DFS) have also proven to be resilience factors during the coronavirus crisis by ensuring the continuity of financial services (payments, transfers, etc.) and the distribution of social minima.

AFD contributes to the implementation of financial infrastructure (interoperability platforms for payment systems in particular) and the regulatory and institutional frameworks necessary for the deployment of inclusive, resilient and responsible DFS. AFD also plays a role in building the capacity of ecosystem players (regulators, professional associations, etc.) to help them tackle the risks associated with the development of digital finance (financial stability, cybersecurity, changes in customer protection and AML/CFT standards, etc.) and ensure the truly inclusive nature of DFS.

AFD also supports the digital transformation of financial institutions, and in particular banks, to enable them to seize the opportunities offered by digital technology to carry out their missions, both in terms of diversifying their offer of financial products and services and in terms of risk management.

In addition, the economic and financial transition places support for entrepreneurship, very small enterprises (VSEs), small and medium-sized enterprises (SMEs) and start-ups at the heart of its main intervention areas and activities. The modernisation of tools for companies and actors of the entrepreneurship ecosystem, as well as access to digital infrastructure, make it possible to reach more beneficiaries and thus increase impacts.

3.3. COMMITMENT 3 – PUT THE CREATION OF INNOVATIVE COMPANIES AT THE SERVICE OF DEVELOPMENT

In its countries of intervention, AFD Group supports entrepreneurs and start-ups with a digital component whose economic model produces a measurable and positive impact on human development, sobriety and resilience. It can involve:

- encouraging start-ups with hyper-growth ambitions,
- supporting digital companies operating in a logic of commons and communities contributing to human development (Lever 1),
- supporting professional training in digital professions.

In Africa, under the Digital Africa hallmark, AFD Group supports the creators of innovative digital businesses as well as the support structures that make up their ecosystems: incubators, accelerators, studios, hubs, business angels, venture capitalists, public financing and support structures (public investment banks, research laboratories, universities, innovation agencies, etc.).

3.3.1 Facilitate entrepreneurial innovation

Innovative digital companies can democratise access to essential everyday services, such as finding information, learning, studying, working or even accessing healthcare, for people in situations of exclusion, thanks to "disruptive technology".

The creation of digital businesses also generates commercial income that allows the "subsistence entrepreneur" to permanently escape precariousness (self-employment). These businesses can help the most vulnerable employees, especially young graduates with low employability and isolated workers, to access or remain in inclusive jobs.

To support digital entrepreneurial innovation, AFD:

- facilitates the discovery and validation of digital entrepreneurial innovations from their inception, in the early stages of their emergence,
- runs an entrepreneurial innovation support programme with a social impact, the Social Inclusive Business Camp and an annual start-up competition, the AFD Digital Challenge,
- supports the stakeholder communities that constitute the business creation ecosystem; together with Proparco, Expertise France and the Digital Africa association, AFD supports entrepreneurs, incubators, accelerators, hubs and also third places of community innovation such as fab labs,
- develops training in entrepreneurship management (lean start-up method) and digital professions, so that high-performing digital artisans (independent workers in the technology sector) become more professional and build up the local economic system that other digital entrepreneurs need to develop innovations that are the most promising for human development.

Funding innovative business development in Africa

In Africa, innovative digital business entrepreneurs are struggling to raise the necessary funds to prove that their innovation meets a real need and to find their first customers. Announced in 2017 by President Emmanuel Macron during his speech in Ouagadougou, the Digital Africa programme identifies promising start-ups. This mechanism supports African entrepreneurial dynamics and assists the development of innovative entrepreneurship across the continent.

3.3.2 Democratise successful digital entrepreneurial innovations

The model of an innovative company is usually clarified when a regular and sufficient flow of business (e.g., €400,000 per year) validates that its offer matches market demand and that it has the capacity to grow. Its positive social impact is proven by the changes induced by its innovations in the daily life of the citizens concerned. Its profitability, growth capacity and large-scale profitability still need to be demonstrated. Some of these companies then choose to finance their growth on a large scale by promising the prospects of high added value to their shareholders.

Proparco has a division dedicated to venture capital and finances equity investments in innovative start-ups, either directly or through investments in funds dedicated to supporting this type of company, from seed financing to participation in raising of tens of millions of euros for a start-up (known as the "Series C" financing round). The objective is to maximise these young companies' chances of success and impact, to contribute to the development of skilled jobs and democratise access to basic goods and services (in the areas of finance, energy, education, health, agriculture, etc.).

Developing smart solar grids for Nigerian SMEs

In Nigeria, SMEs struggle to obtain a reliable and affordable electricity supply. Rensource is a local start-up that builds and operates solar mini-grids that will replace generators. Thanks to Proparco's investment of USD 3 million in 2019, this start-up will continue to deploy solar mini-grids in northern Nigeria, in particular in urban markets.

4.

ACCELERATION LEVERS FOR THE DIGITAL TRANSITION

Like many other actors in international development, AFD wishes to adopt the Principles for Digital Development.[11] These help to achieve universal access to the Internet, economic development and the modernisation of public policy.

In addition to these general principles, AFD relies on three cross-cutting levers to increase the social impact of its digital investments and minimise their risk of failure.

4.1. LEVER 1 – PROMOTE THE GOVERNANCE OF DIGITAL RESOURCES IN THE FORM OF "COMMONS"

A common good is a resource governed by the community of its users according to shared ownership rules that it defines itself and applies. It is a legal and a political concept. In 2019, in Prague, the French Minister for Europe and Foreign Affairs described the vision of the digital world promoted by France as a free, open and safe world, organised around common goods, without appropriation by monopolistic players. The community governing a common protects its free access and use and its sustainability. It defends the general interest through common ownership and is a practical alternative to the state (public ownership) and the market (private property).

In the digital world, Linux and the tens of millions[12] of other free and open-source software tools that underpin the functioning of the Internet are world-class commons. Few of the global digital commons are known to the general public, other than Wikipedia, of course.

Digital commons sometimes mobilise local citizen communities around assets in their territory in order to enhance their value. For example, the minibus network in Accra, Ghana, was mapped via a digital commons approach and thus made more accessible thanks to a grant from AFD (cf. box). A vocal data set in the Kinyarwanda language was created in Kigali, in Rwanda, using the open-source Common Voice platform thanks to GIZ. This trains artificial intelligence to recognise the language in order to develop more inclusive voice applications.

Be it global or local infrastructure, digital inclusion tools, specialised digital solutions for a successful transition or digital entrepreneurial innovations, AFD Group entrusts all or part of the ownership of the digital resources that it finances to citizen communities governing them in the form of a free and open common, as soon as this approach becomes possible.

Sharing the urban transport map

In Accra, Ghana, 80% of public transport is provided by independent minibuses with no set routes for these lines. In 2017, thanks to a grant from AFD, minibus users were trained in collaborative mapping: they learn and record several hundred routes with the phone GPS, identify the main lines and share them via the global common Open StreetMap. Residents of Accra now have an urban transport map and can continue to keep it updated. The initiative will be replicated in other cities

[11] https://digitalprinciples.org/

[12] In 2019, 44 million open-source projects were created on the Github platform https://octoverse.github.com/ ; the number of Nigerian projects using it increased by 59% and Kenyan projects by 44%.

4.2. LEVER 2 – PLACE CITIZENS AT THE CENTRE OF FREQUENT EXPERIMENTAL TESTS

For the digital transition and in addition to physical infrastructure projects (Commitment 1.1), AFD prioritises projects that involve continuous and rapid test cycles in which citizen beneficiaries participate. This approach optimises the impact of investments on daily life and minimises the risks of failure, slippage or design errors, which are particularly high in the digital sector.

Listen to the users to better respond to their needs

In the digital industry, the difficulty of designing and deploying an innovative service that meets real needs has required developing professional practices specific to new jobs.[13]

With these new jobs and their specific work methods, the project leader formulates assumptions based on the needs and reactions of the user. The assumptions are then tested as quickly as possible and in direct contact with the user by successive iteration cycles using specialised instrumentation. These experiments thus eliminate false good ideas as quickly as possible and make projects successful as soon as possible by deftly adapting them to the reality on the ground. These practices require frequent, short and repeated interactions with citizens.

Their application by the French State's start-up incubator (beta.gouv.fr) is an exemplary model that AFD is disseminating to its partner countries. In a less methodical way, AFD's support to civil society organisations (CSOs) through FISONG makes it possible to better mobilise end users and listen to them in order to include them in these processes of co-design and joint governance of digital services. The urban incubators financed by AFD are leading to the emergence and support of temporary or transitional micro-projects. These require little finance, are supported by the inhabitants and quickly implemented on the sites of urban projects financed in parallel by the Group.

Draw on scientific experimental methods

This approach is inspired by scientific experimental methods, with some of their characteristic rigour, and recognises the importance of measuring field data to guide a project from design to completion. AFD is increasingly conducting impact evaluations that use quasi-experimental methods. These make it possible to envision a *new way of doing* development where impact evaluation and operations are carried out jointly and optimise the production of positive impacts per euro invested, in particular for innovative projects.

In order to maximise their scope, and within the strict limits of banking secrecy, the Group publishes under an open data license data of general interest produced by the projects it finances and encourages other donors to do the same so that all developers benefit from this sharing of better factual knowledge of the field.

Creating new public services rapidly

In Morocco, the coronavirus crisis has reinforced the Kingdom's intention to expand its offer of digital public services. The Digital Development Agency (ADD), with an AFD grant of €550,000, is drawing on the experience of the French public start-up incubator (beta.gouv.fr) to experiment with a new way of setting up public services. The Agency focuses its teams on the goal of enhancing users' satisfaction by constantly adapting to their needs (rather than improving the administration in accordance with a plan). It identifies an official who is frustrated by a problem experienced by citizens and is able to come up with an innovative digital service to solve it. For 6 renewable months, the agency gives the official a team of experts (developer, designer) to make a prototype and demonstrate its usefulness in direct contact with users.

[13] A few examples: the Scrum and "agile" method for the job of product management; the "lean startup" method for managing entrepreneurial innovation; design thinking and user-centred design for designing user experience.

4.3. LEVER 3 – PROTECT PERSONAL DATA AND THE ENVIRONMENT

The Internet is dominated by an economy of digital platforms in an oligopoly situation based on the capture of citizens' personal data. These imbalances threaten individual freedoms. States may perceive social networks as vectors of foreign influence, social unrest and political contestation. Conversely, they can also be tempted by digital practices of surveillance, censorship and "registration" of their population.

The European Union is particularly advanced in terms of legislation for the protection of personal data (GDPR, CNIL) and, more broadly, of individual freedoms and Human Rights. It also has strong ambitions for environmental protection, sobriety and resilience in the face of the challenges of global warming and loss of biodiversity.

Protect personal data

When it comes to the protection of personal data, AFD Group engages in public policy dialogues. Firstly, within the context of digital citizen identification projects but, more broadly, in all projects handling personal data. AFD supports its counterparts in order to create a legal framework responding to the challenges, to strengthen the institutions in charge of protection, to involve civil society in the governance of these projects, to educate citizens on the protection of their data, to consolidate the security of these data and to detect excessively risky investments that will be abandoned if the required conditions cannot be met.

Aim for digital sobriety

In terms of digital sobriety, the Group models the impact of its digital investments on greenhouse gas emissions to identify the types of digital projects with the most emission-mitigating properties before deploying them.

In the spirit of "Small is Beautiful",[14] AFD generally prioritises so-called "appropriate" (and sometimes "low tech") digital technologies which are applicable on a small scale, decentralised, labour-intensive, energy-saving and environment-friendly.

AFD Group will develop a first version of the roadmap to clarify the methodology for interpreting the alignment of digital projects with the Paris Agreement and to promote the prospecting of digital projects with climate co-benefits. This roadmap will help to inform the Group's climate strategy with a view to its renewal in 2022.

Pursuing digital sobriety

It is sometimes advisable to dismantle an ADSL network and replace it with optical fibre, which is more energy efficient. This is what AFD is doing by financing the broadband network in Martinique.

In lieu of projects encouraging the purchase of telephones that become obsolete after 2 years of use, AFD prefers to establish public dialogues on planned obsolescence and to support economic models based on the rental, repair and recycling of telephones in local value chains.

Instead of globalised value chains for agricultural machinery and tools, AFD is considering alternatives involving local production in fab labs thanks to digital commons such as the schemes for agricultural equipment developed by the Atelier Paysan collective. Digital sobriety is yet to be discovered and deployed.

[14] 1973, Ernst Friedrich Schumacher, *Small Is Beautiful – a study of economics as if people mattered*, pub. Blond & Briggs.

5.

PARTNERSHIP POSITIONING

Alongside the World Bank, AFD is one of the first development banks to adopt a dedicated digital transition strategy, designed by a dedicated operational division. The Group also bases its expertise on a portfolio of projects that have met with success in this domain, and has done so for several years.

However, some technical cooperation agencies (like GIZ) or financing agencies (like USAID) have overtaken development banks in the digital sector. Grants, and to a lesser extent technical cooperation, are instruments that are quick to implement and suitable for financing many social and digital innovations of modest size but of undeniable interest. The World Food Programme (WFP) Innovation Accelerator is exemplary in this regard.

AFD has been able to gain momentum by relying on top French digital actors, even if the availability of public digital actors for international missions is very limited. With Etalab, AFD is building and promoting its open data culture. With the digital public services incubator, AFD is disseminating the French model of digital public innovation. With some of the most modern French local authorities, AFD supports and coordinates North-South cooperation networks on the theme of smart cities. AFD also relies on the STOA investment fund and will seek to maximise synergies and knowledge-sharing to strengthen the positioning of Team France on this topic. As for French design offices and consulting firms in the digital sector, these continue to be a strategic high-quality resource for the technical assistance provided by AFD to numerous contracting authorities. By regularly exchanging public information and informal opinions with the economic services of the embassies and with the French industrialists most affected by the digital transition – in strict compliance with banking secrecy and the doctrine of untied aid – the Group is contributing to French economic diplomacy.

AFD's digital expertise is mobilised by the European Commission to achieve the geopolitical priority given to digital technology in the new EU 2021-2027 policy and budgetary programming. In view of the forthcoming German Presidency of the Commission, we can also note the growing interest of KfW in digital operations. The opportunities for inter-donor cooperation on a European scale are multiplying and represent a valuable opportunity for the Group's digital transition strategy. With GIZ and Enabel in particular, AFD Group co-founded the Digital For Development Hub, the spearhead of the European Union's digital policy for international development. This hub embodies the vision of a #TeamEurope that puts digital technology at the service of European development and governs future initiatives and financing in this area.

6.

APPENDICES

APPENDIX 1. ACCOUNTABILITY FRAMEWORK

AFD is committed to monitoring the 3 commitments defined in this 2021-2025 strategic plan.

Commitment 1: Provide access to the Internet and its services for all

- Amount of commitments for Commitment 1, by region.
- Number of people who gained access to an Internet connection thanks to AFD financing, according to gender when possible.
- Number of people with a national digital identity thanks to AFD financing, according to gender when possible.

Commitment 2: Bring online the key services for each strategic transition

- Amount of commitments dedicated to digital transition according to DAC objective 5.1.
- Proportion of commitments relating to expenditure that has a digital objective, by transition and according to the DAC objective 5.1. (estimated every 2 years).

Commitment 3: Put the creation of innovative companies at the service of development

- Amount of commitments for Commitment 3.
- Number of people whose access to basic goods and services has improved thanks to a local digital innovation (created in the country or on the continent) that benefited from a commitment of AFD Group, according to gender when possible.

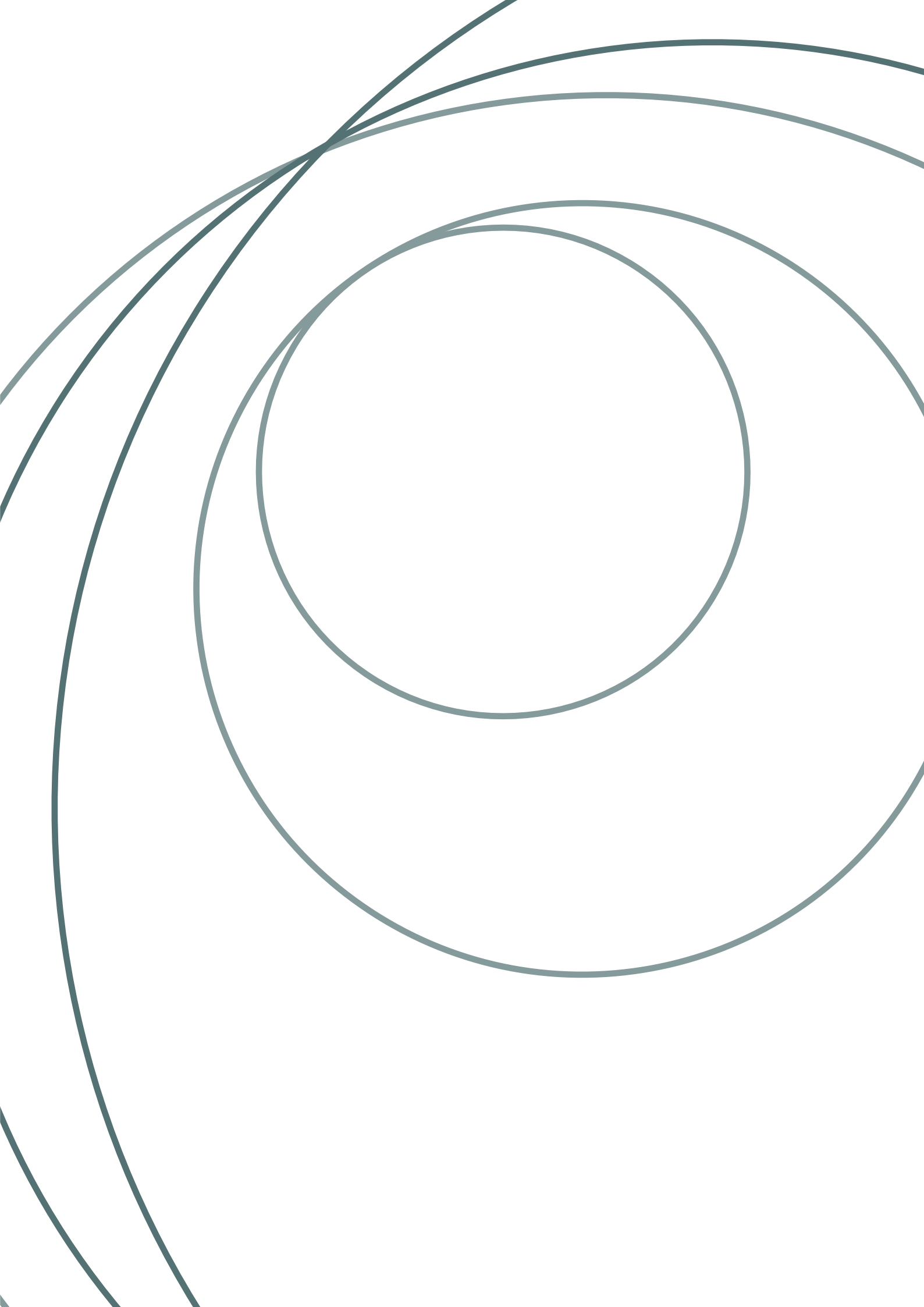
APPENDIX 2. OVERVIEW BY REGION AND BY INSTRUMENT

Africa is the Group's first geographic priority for the digital transition.This will continue to be the case as it proves difficult to massively reduce the greenhouse gas emissions of partner countries through digital operations, which is a more stringent objective outside Africa.

In Africa, all the commitments of this strategy are priority: the deployment of tangible and intangible infrastructure to facilitate access to digital technologies, support for entrepreneurial dynamics with Digital Africa, and support for digital technologies in all the transitions of the AFD Group 2018-2022 Strategy. For the most part, infrastructure will be financed through sovereign and non-sovereign loans from Proparco or AFD, while respecting the subsidiarity principle with regard to private financing. In addition to Proparco's capital investment tools, the financing of innovative entrepreneurship may require grants or guarantees depending on the level of risk of the market segment concerned (seeding or development financing).

In Asia and Latin America, particularly in emerging countries, interventions involving digital technology will be articulated with the Group's climate co-benefit priority and the main sectors of intervention: digital transformation of municipalities and the urban transport sector in Latin America, the State's digital transformation in South Asia... AFD will work to support partnerships between local institutions and companies and their French counterparts.

In the French overseas territories, AFD will support the policy for access to high-speed broadband for all by investing in international connection infrastructure or by supporting municipalities in financing local infrastructure. Specific actions on inclusion will be deployed by mobilising the Fund 5.0.



ACRONYMS AND ABBREVIATIONS

3D: Defence, diplomacy and development (AFD's 3D approach)

ADD: *Agence du Développement Digital* (Digital Development Agency – Morocco)

AFD: *Agence française de développement*

AFIDBA: AFD for Inclusive and Digital Business in Africa

AML/CFT: Anti-money laundering/ Combating the financing of terrorism

CICID: Interministerial Committee for International Cooperation and Development

CNIL: *Commission nationale de l'informatique et des libertés* (National Commission for Information Technology and Civil Liberties)

DFS: Digital financial services

EIB: European Investment Bank

FISONG: *Facilité d'innovation sectorial pour les ONG* (AFD's Sectoral innovation facility for NGOs)

GDPR: General Data Protection Regulation

GHG: Greenhouse gas

GIZ: Gesellschaft für Internationale Zusammenarbeit GmbH (German Corporation for International Cooperation).

ITC: Information and Communication Technologies

JET: Junior Enterprises in Tunisia (Youth, Entrepreneurship and Digital Initiative)

KfW: Kreditanstalt für Wiederaufbau (German state-owned investment and development bank)

NREN: National Research and Education Network

OPTP: *Office des postes et télécommunications polynésien* (Polynesian Post and Telecommunications Office)

SCO: Civil society organisation

SDG: Sustainable development goal

SIBC: Social and Inclusive Business Camp

SMEs: Small and medium-sized enterprises

STOA: Fund created by Caisse des Dépôts and AFD to finance infrastructure in emerging and developing countries.

UN: United Nations

USAID: United States Agency for International Development

VSE: Very small enterprise

WFP: World Food Programme

What is AFD?

Agence Française de Développement (AFD) Group is a public financial institution that finances, supports and accelerates 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.

Our teams are active in more than 4,000 projects in the field - in the French overseas departments and some 115 countries. They strive to promote health, education and gender equality, and are working to protect our common resources — peace, biodiversity and a stable climate. It's our way of contributing to the commitment France and the French people have made to achieve the Sustainable Development Goals. Towards a world in common.

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