



water & sanitation

ACTIVITY REPORT

2022



Despite an extremely complex international situation (the pandemic, inflation, crises and conflicts in numerous countries), AFD's activity in the water sector remained buoyant in 2022, especially in Africa where commitments reached a record level (€610 million).

This financing is based on the three pillars of the new strategy published in February 2022, which consists of reducing inequalities in access to drinking water and sanitation; taking action at local and regional levels to increase climate and ecological resilience; and improving governance for effective and sustainable services. It is also grounded in the three accelerators set out in this strategy: partnerships, innovation and knowledge. This strategy is AFD's version of France's International Strategy for Water and Sanitation 2020-2030.

This annual activity review reports on the results of AFD's operations, both those estimated when new financing is approved and those carried out in 2022 through the implementation of ongoing projects.

These results are presented on the basis of their contribution to the achievement of the Sustainable Development Goals (SDGs). They demonstrate the transversal nature of this sector, which can help meet a number of the SDG targets, well beyond SDG n° 6 dedicated to the water and sanitation sector.





This report also serves as a tool to monitor AFD's water and sanitation objectives until 2025.

Our water and sanitation commitments in 2022



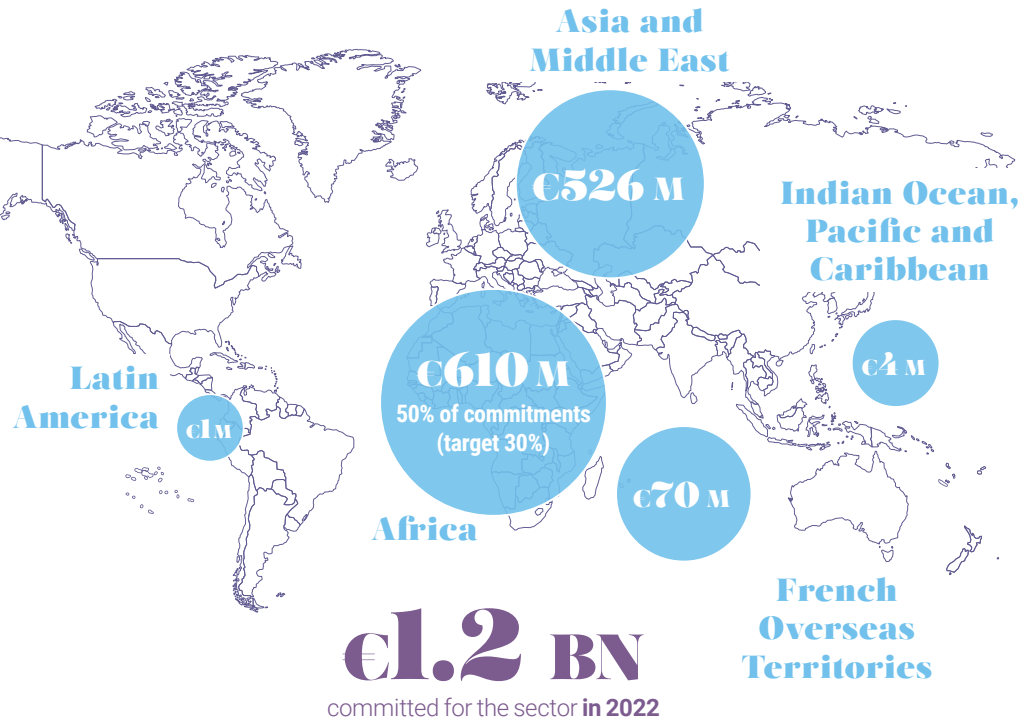
Expected outcomes

The projects committed in 2022 will allow:

<p>SDG target 6.1</p>  <p>1.9 million people to benefit from a safely managed drinking water supply service</p>		<p>SDG target 1.4</p>  <p>2.4 million people to benefit from a basic drinking water supply service</p>
<p>SDG target 6.2</p>  <p>5.7 million people to benefit from a safely managed sanitation service</p>		
<p>SDG target 11.5</p>  <p>600,000 people to benefit from flood risk management facilities/equipment</p>		

Our water and sanitation commitments in 2022

Breakdown by region



In 2022, the water and sanitation sector accounted for 10% of AFD Group's commitments

Financing committed in Africa topped the €500 million mark for the first time.

Fragile countries benefit from targeted attention: in Africa (Burkina Faso, Ethiopia, Gambia Mauritania, and Togo) and the Middle East (Iraq, Palestinian Autonomous Territories).

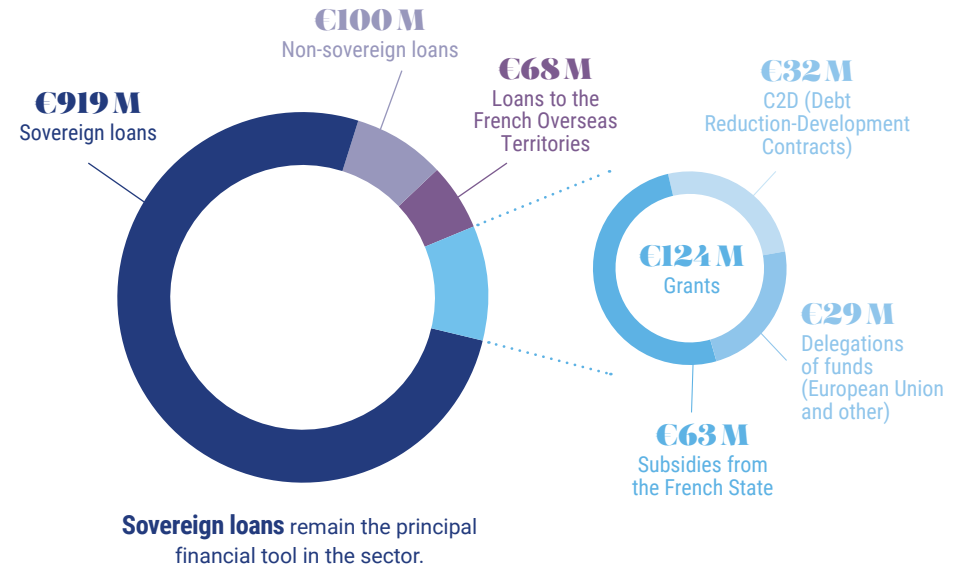
Signatures

€927 M

Total amount of **79** financing agreements signed in 2022 in the water and sanitation sector

Our financial tools

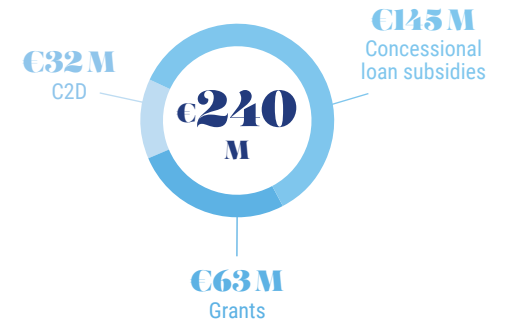
Breakdown by financial tool



France's financial effort increased to

€240 M

in 2022 (€180 M in 2021).



Africa accounts for **73%** of **subsidies from the French State** and the 19 priority countries for French development aid for **66%**.

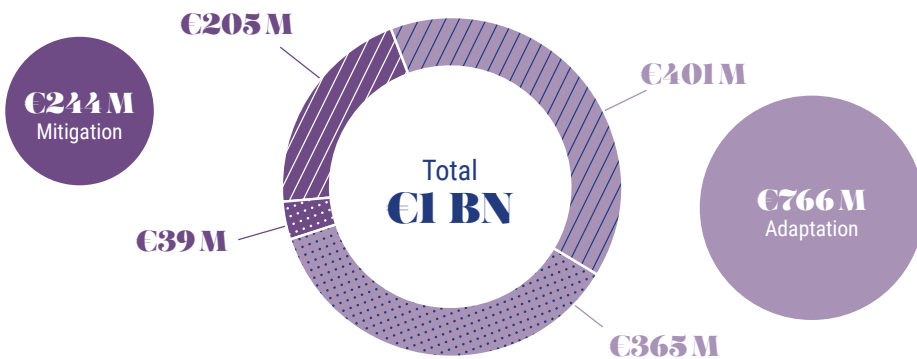
Multiple contributions to the SDGs

Proportion of projects with a positive impact on...

● Strategy target ● 2022 value

13 CLIMATE ACTION


Climate
 (by amount)
75% • 88% of new commitments in the sector have a climate co-benefit in 2022



/// Improvements in sanitation (incl. stormwater)
 ☼ Securing water supply

15 LIFE ON LAND

Biodiversity
 (by amount)
20% • 16,5%

5 GENDER EQUALITY

Gender equality
 (by amount)
55% • 82%


14 LIFE BELOW WATER **15 LIFE ON LAND**
 
Sanitation
 (by amount)
40% • 39%

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Governance
 and public service management
 (by number of projects)
90% • 82%

Examples of new projects financed in 2022


Angola

 **Combating drought while improving access to water**

There are major needs for access to drinking water and sanitation across the country, especially in the South, which is afflicted with recurrent droughts. The World Bank and AFD are supporting the rehabilitation and extension of water supply infrastructure. The project will test new approaches to preserve water resources using Nature-based Solutions (such as sand dams). It will help secure access to drinking water for some 955,000 people.

AFD loan – \$150 million
World Bank loan – \$300 million

Mauritania

 **Preventing risks of conflict caused by water scarcity**

In the south-east of the country, at the Malian border, the lack of drinking, agricultural and pastoral water poses a major challenge which can give rise to social tensions. To prevent this and increase access to water and sanitation, AFD is financing the construction or rehabilitation of 66 drinking water supply systems, the construction of 191 sanitary facilities in public spaces and 10 livestock watering stations. The project also comprises a hygiene awareness program.

AFD grant – €14 million


Bangladesh

 **Sanitation: a public health challenge**

Chattogram, the second largest city and the largest port in Bangladesh, is faced with the challenges of rapid population growth, with pressure on natural resources, inadequate public services, the proliferation of slums and an overall social divide. Its domestic and industrial wastewater is discharged without treatment into the Bay of Bengal, contributing to a high level of pollution and risks to public health. AFD is financing the collection and treatment of effluents before they are discharged into the natural environment in the North Kattoli area (which is expected to have a population of 377,000 by 2050).

AFD loan – €175 million

Côte d'Ivoire

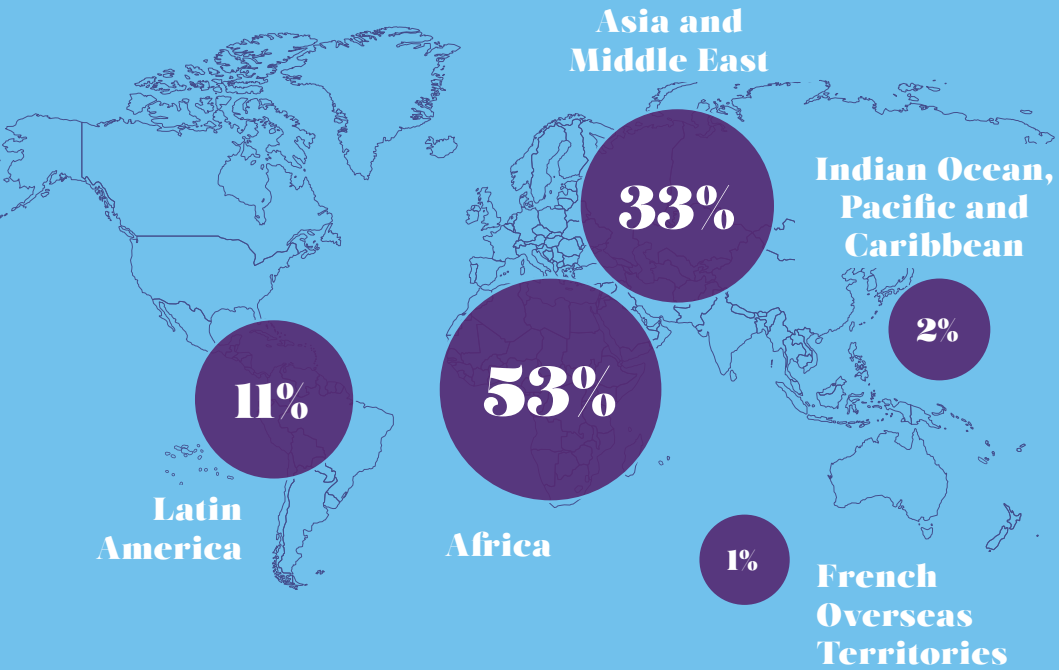
 **Advancing women's empowerment through sanitation**

In the city of Abidjan, over 99% of the wastewater collected is discharged into the lagoon without treatment. Inadequate toilets in homes and schools force women to use alternative means, which subject them to a number of risks, not least of attacks, which in turn hinder their empowerment. To address these challenges, AFD is financing the first tranche of the works in Yopougon: an extension of the wastewater collection network, the creation of 13,000 connections, construction of sanitary facilities in public spaces and schools, and awareness-raising on menstrual health. The wastewater collected will be treated before it is discharged into the sea.

AFD loan – €130 million

Nearly 300 ongoing projects

Portfolio breakdown (% as an amount)



299 projects

 ongoing in the water and sanitation sector as at 31 December 2022

for a total financing amount of

€9.1BN

 of which **€5.8BN** undisbursed

€610M

 disbursed in 2022

Results already visible

In 2022, the ongoing projects have allowed:

SDG target 6.1

4.9 million people

 to benefit from a safely managed drinking water supply service



SDG target 1.4

 Access to basic services

1.1 million people

 to benefit from a basic drinking water supply service

SDG target 6.2

520,000 people

 to benefit from a safely managed sanitation service



SDG target 1.4

 Access to basic services

300,000 people

 to benefit from a basic sanitation service

SDG target 11.5

 Reduce the adverse effects of natural disasters

80,000 people

 to benefit from flood risk management facilities/equipment



SDG target 3.9

 Reduce mortality from environmental pollution

 Hygiene and water use awareness raising for

590,000 people



Partnerships to increase impacts on the ground



With the NGO Toilet Board Coalition: a new partnership to **attract private investment in sewage vehicles in Africa** by gauging the size of the market, characterizing its segments and promoting low-cost tropicalized vehicles.



With the NGO Wash United: partnership renewed in 2022 to support **World Menstrual Hygiene Day 2023** which will reach over 700 million people through events online and in the field. It will mobilize partners around concrete and measurable financial commitments.



With IRC Wash: continuation of support for the Water Finance Coalition which gathers Public Development Banks from the Global North and the Global South. **Experience-sharing to increase their financing for water and sanitation** and publication of a “water and climate” finance accounting tool.



The water resources/climate change/biodiversity conservation nexus central to our thinking:

With The Nature Conservancy: production of the *Financing Nature for Water Security* handbook, training for the project teams of several donors and the recipients of their financing.

With the working group on water level measurements through satellite altimetry (including CNES, IRD and OIEau): highlight in December 2022 with the successful launch of the SWOT satellite (NASA/CNES partnership). It will provide measurements with unprecedented precision, especially in the major African basins.

With OIEau: signing of an agreement in December 2022 to give new impetus to African transboundary river basin organizations. It is part of the Team Europe Initiative announced at the World Water Forum in Dakar in March 2022.

With IRD: launch of the working group on the global water cycle and disruptions to it caused by human pressures and climate change, with two seminars in Niger and Senegal.



Towards a World in Common

AFD Group contributes to the implementation of France's policies for sustainable development and international solidarity. The Group includes Agence Française de Développement (AFD), which finances the public sector, NGOs, research and training; its subsidiary Proparco, which is dedicated to the private sector; and Expertise France, a technical cooperation agency. The Group finances, supports and accelerates the transitions needed for a fairer, more resilient world.

With our partners, we are building shared solutions with and for the people in more than 150 countries, as well as in 11 French Overseas Departments and Territories. As part of the commitment of France and the French people to achieving the Sustainable Development Goals, our teams are at work on more than 4,800 projects in the field. Our objective is to reconcile economic development with the preservation of common goods, from peace, the climate and biodiversity to health, education and gender equality. Towards a world in common.



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