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AFD GROUP AND THE **public-private partnerships**

#WorldInCommon



"Address the challenges and meet the objectives related to infrastructures and essential services"

The countries where AFD Group works are experiencing strong growth and urbanization. As a result, they need more inclusive infrastructures and basic services that are structuring for their economies and responding to the essential needs of their populations.

The Sustainable Development Goal 17 aims at strenghtening the means of implementing the Global Partnership for Development and to revitalize it. The target 17.17 identifies public-private partnership (PPP) as the tool to be encouraged and promoted. By mobilizing the private sector, PPP is a relevant model to support in order to meet the challenges and issues related to the infrastructure and essential services sector.

In this context, the AFD Group's activities aim to support the creation of enabling conditions for the development of PPP and sustainable projects.

^{Our} activities

AFD AND EXPERTISE FRANCE

Technical assistance to support the creation of a PPP enabling environment

- implementation of legal frameworks promoting the development of PPP projects
- training of PPP stakeholders

Technical assistance to support the implementation of PPP projects

- operationalization of the institutional framework
- planning and preparation of projects
- structuring and transaction
- management of unsolicited proposals

AFD

Financing of PPP projects through a range of products to suit the public sector needs

- loans, grants and guarantees
- blended finance
- other tools, including de-risking mechanisms and Viability Gap Funds

PUBLIC SECTOR

PROPARCO AND STOA

Financing and technical assistance to support private operators through

- a range of financing products (junior or senior concessional loans, guarantees, equity contributions, and others)
- advisory services for international and local private operators in structuring their bids, in particular on environmental, social, gender and climate criteria

^{Our} commitments

Promoting a learning by doing and coaching approach.



Specifically by setting up resident/semi-resident technical assistants and pairing themselves with local project teams in order to foster PPP knowledge sharing and long term capacity building of the various entities involved in the PPP process (national governments, PPP units, regulators, sub-national entities, and others).



Supporting private operators in the implementation of sustainable PPPs.



Strengthening and maintaining the capacity of PPP units and contracting authorities.

Specifically by setting up pairs of technical expert and local agent.



Promoting knowledge transfer by sharing French experience and know-how.

^{0ur} trackrecord since 2012







Examples of **projects**

SUPPORTING THE CREATION OF AN ENABLING ENVIRONMENT FOR PPP

Project: PPP Franc Zone Initiative in Central Africa (CEMAC: Cameroon, Central African Republic, Chad, Gabon, Equatorial Guinea, Republic of Congo)

Scope of work 2021-2023:

- Draft of a regional PPP strategy
- Draft of a regional PPP guideline
- Support for PPP projects planning

Amount: €1 million, implemented by Expertise France

TECHNICAL ASSISTANCE TO SUPPORT THE IMPLEMENTATION OF PPP PROJECTS

Project: development of PPP public infrastructure projects by Brazilian local authorities in the public lighting, waste, water and sanitation sectors

Scope of work 2018-2021:

- draft of a regulatory framework to manage technical, economic and financial aspects of PPPs in the waste sector
- preparation and implementation of pilot projects (public lighting and waste)
- organization of experience sharing workshops

Amount: €2 million

FINANCING OF PPP PROJECTS THROUGH A RANGE OF PRODUCTS ADAPTED TO THE PUBLIC SECTOR NEEDS

Project : decentralization of energy access through the development of mini grids in three southeastern provinces of Mauritania by promoting the PPP concession model

Scope of work 2019-2021:

- investment subsidy paid to the private partner for the construction of mini-grid energy infrastructure
- technical assistance program for the private partner and contracting authorities

Amount: €12 million grant, of which €8 million were funded by the European Union

FINANCING AND TECHNICAL ASSISTANCE TO SUPPORT PRIVATE OPERATORS

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Project: construction of the Nachtigal hydroelectric power plant, which will supply nearly 30% of Cameroon electricity production

Scope of work 2018:

- loan from Proparco to the SPV
- equity investment from STOA in the SPV

Amount:

Proparco: €150 million loan STOA: 10% ownership stake acquisition

Towards a World in Common

AFD Group implements France's policy in the areas of development and international solidarity. The Group includes Agence Française de Développement (AFD), which finances the public sector and NGOs, as well as research and education in sustainable development; its subsidiary Proparco, which is dedicated to private sector financing; and Expertise France, a technical cooperation agency. The Group finances, supports and accelerates transitions towards a fairer, more resilient world.

With our partners, we are building shared solutions with and for the people of the Global South. Our teams are at work on more than 4,000 projects in the field, in the French Overseas Departments and Territories, in 115 countries and in regions in crisis. We strive to protect global public goods – promoting a stable climate, biodiversity and peace, as well as gender equality, education and healthcare. In this way, we contribute to the commitment of France and the French people to achieve the Sustainable Development Goals (SDGs). Towards a world in common.



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