

FRANCE

AID POLICY FOR WASH

AFD, the Agence Française de Développement, is a public development finance institution that executes the French government's development aid policies. In 2012, AFD committed 85% of total French aid volumes towards WASH.

Priority sectors for AFD are education, health, infrastructure, water and sanitation as well as urban and rural development. Priorities are based on the needs of the AFD's partners in recipient countries and on priorities by the government of France. Water programmes make up about 10% of AFD's budget with WASH accounting for 80% of the funding of AFD's water programmes.

WASH is sometimes combined with agriculture (rural development programmes, demand management programmes) or health programmes and education (school latrines) or energy. Some WASH components are part of urban development projects that provide support on several urban services.

AFD finances WASH projects in more than 50 countries. Countries with greatest needs, measured by poverty and/or low coverage for WASH are prioritized.

Projects and programmes financed by AFD are mostly implemented by local partner institutions.

ASPECTS OF WASH AID/TARGETS

One-third of WASH financing is pledged for sanitation projects. AFD also pledges to include a hygiene promotion component in WASH programmes when possible, markedly increasing the share of projects with this type of activity. AFD also has a priority to improve the environmental state of the Mediterranean Sea through the implementation of wastewater treatment facilities.

Specific areas of support for WASH include: support to sustainable public policies in WASH sector; water resources preservation through demand management, leakage reduction, wastewater re-use, actions towards integrated water resources management (IWRM); access to water and sanitation services through infrastructure extension and rehabilitation and support to operators; drainage.

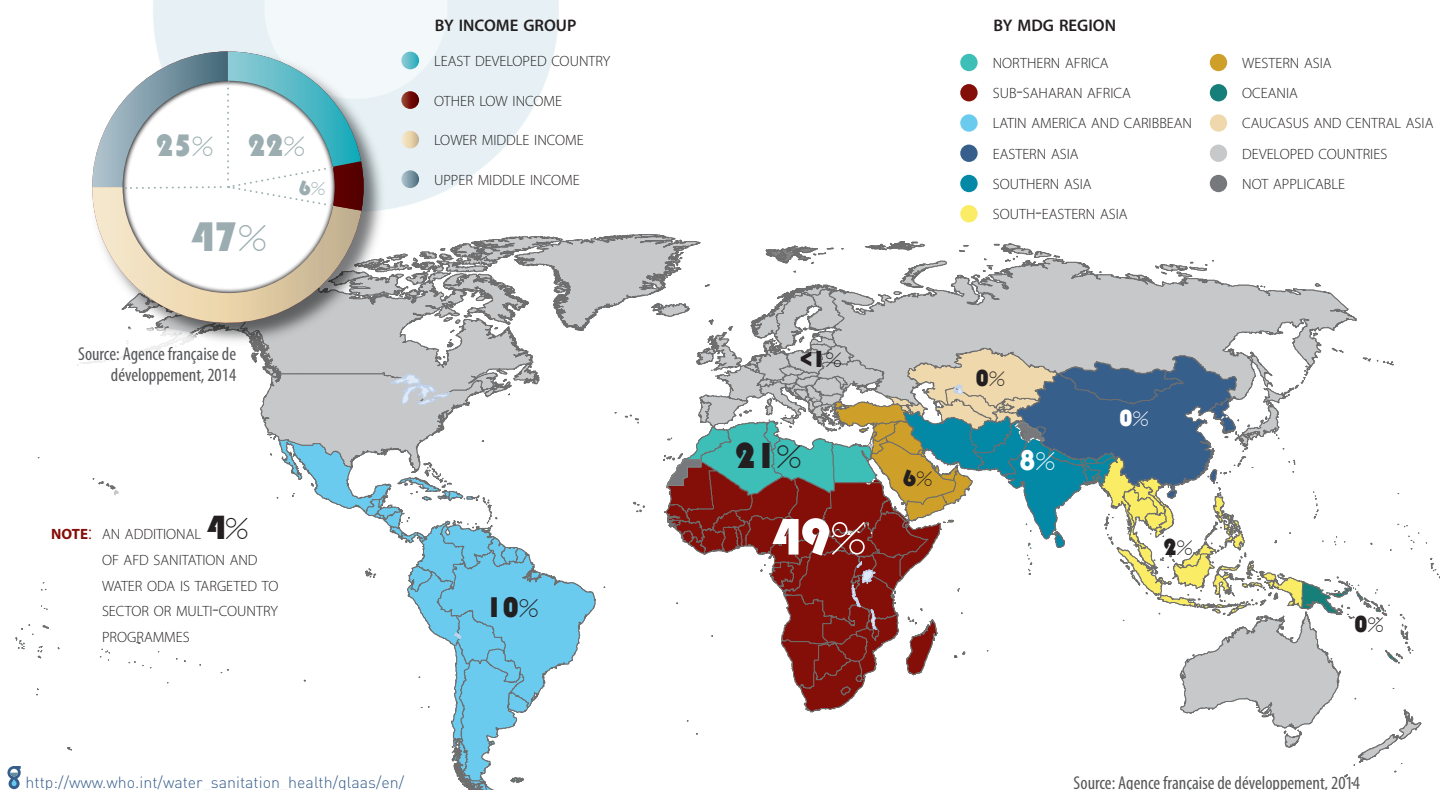
Specific Target

Each year between 2010 and 2012, AFD aimed to provide 800,000 people with sustainable access to drinking water; provide 500,000 people with sustainable access to sanitation; improve the quality of drinking water supply system for 2.5 million people; improve the quality of the sanitation system for 1.5 million people.

EXAMPLES OF SUCCESS

AFD is currently financing successful projects in Cambodia, Senegal, Burkina Faso, Tunisia, etc. often due to a long historical presence of AFD in these countries. Project summaries can be found on AFD's website.

WASH AID PRIORITIES: DISTRIBUTION OF AID COMMITMENTS (2010–2012)



ACCOUNTABILITY

Reporting

AFD reports on results of its WASH projects rather than focusing solely on financial reporting¹.

2010–2012: AFD has committed an annual average of EUR 607m for water and sanitation in developing countries.

Mutual Assessment Exercises

Examples of countries where AFD projects committed in 2013 are co-financed by a financial partner other than the beneficiary: Bangladesh, Burkina Faso, Cambodia, Cameroon, Mali, Mexico, DR Congo, Sri Lanka, Palestine, Zambia.

¹ http://www.afd.fr/webdav/site/afd/shared/L_AFD/L_AFD_s_engage/documents/Bilan-CIS-eau-assainissement-2010-2012.pdf

PREDICTABILITY

AFD provides sector budget support for WASH in Colombia and Mexico. Most AFD funding is project/programme based. Implementation is mostly from three to five years in duration.

FOCUS ON EQUITY

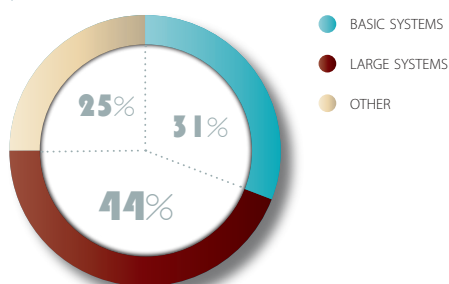
For both drinking water and sanitation projects 80% of AFD funding is targeted to urban areas and 20% to rural. For hygiene projects the split is 50/50 urban/rural.

OPERATIONAL EFFICIENCY

Operational efficiency of AFD financing has been improved during 2010–2012 period through:

- Cofinancing arrangements: 47% of AFD commitments in the sector were cofinanced;
- Capacity building activities: 79% of projects included support activities at three interdependent levels (individual, organisational and institutional);
- Improved accountability;
- Promotion of gender approaches.

BASIC VS. LARGE SYSTEMS (2012–2013)



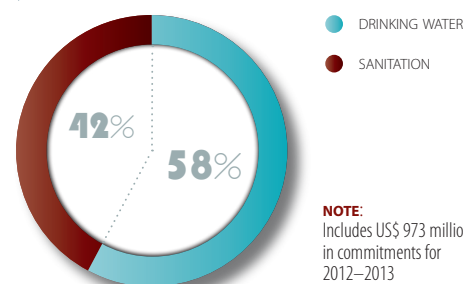
Source: Agence française de développement, 2014

NEW VS. EXISTING SERVICES (2012)

In 2010, AFD introduced a pilot approach to evaluate the actual results of projects it finances in WASH sector as opposed to communicating solely on results expected upon financing. Between 2010 and 2012, projects financed by AFD contributed actually each year to:

- provide 1.2 million people with sustainable access to drinking water,
- provide 217,000 people with sustainable access to sanitation,
- improve the quality of drinking water supply system for 3.4 million people,
- improve the quality of the sanitation system for 988,000 people.

WATER VS. SANITATION (2012–2013)



Source: Agence française de développement, 2014

NOTE:
Includes US\$ 973 million in commitments for 2012–2013

ALIGNMENT AND HARMONISATION

GRANT VS LOAN 2010–2012

12% Grants.
88% Loans.

USE OF COUNTRY RESULTS FRAMEWORKS

10% of projects use Country Results Frameworks.

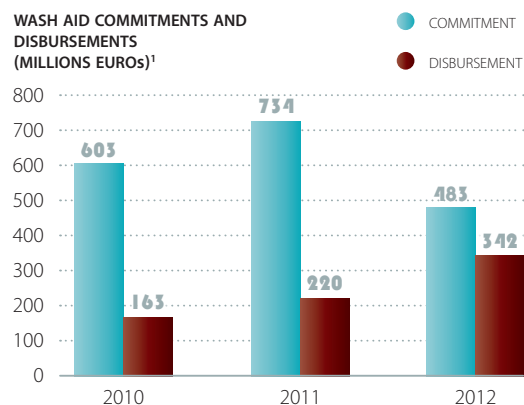
USE OF COUNTRY PROCUREMENT SYSTEMS

AFD uses partner countries' procurement systems for WASH in all countries it works in provided that the system exists.

FUTURE OUTLOOK

No major changes are expected, with the focus on sanitation continuing to increase so that one third of AFD WASH funding is targeted to sanitation.

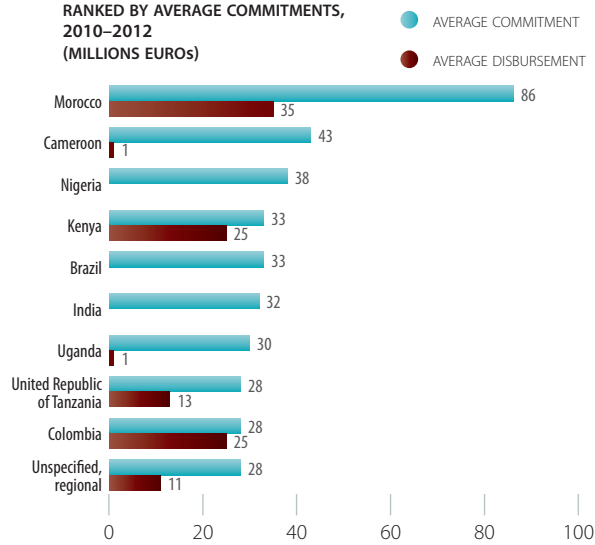
WASH AID COMMITMENTS AND DISBURSEMENTS (MILLIONS EUROS)¹



¹ Figures do not include projects financed by AFD in the French Overseas Provinces.

Source: Agence française de développement, 2014

TEN HIGHEST WASH AID RECIPIENTS, RANKED BY AVERAGE COMMITMENTS, 2010–2012 (MILLIONS EUROS)



Source: Agence française de développement, 2014