



Studies and Research

ACTIVITY REPORT

2023

A stylized world map in white lines on a teal background, showing the outlines of continents and major islands. The map is centered behind a white rectangular text box.

A

systemic crisis – simultaneously environmental, geopolitical, democratic, economic, social, and societal – is causing upheaval in the dynamics of sustainable development.

Development models have contributed to economic, social, and political progress in many countries for nearly the past two centuries. However, transitions are now needed because these models are coming up against planetary limits, social needs, and the acceptability of the current world order. **Understanding this situation and its constraints is essential** if we are to improve the quality of our operations and their impact using a country-specific approach.

Herein lies the purpose of the studies and research carried out by AFD. We take **a multidisciplinary approach, in close collaboration with our partners in the Global South**, to foster public policy dialog as well as civic debate. Our studies and research projects cover several Sustainable Development Goals (SDGs) and related themes. **With a heavy focus on sustainability**, they pay particular attention to the different contexts, local dynamics, and financing issues of the transitions that are needed.

This Studies and Research 2023 report presents **AFD Group's main trends for this work** in terms of both volume and of topical, geographical, and partnership priorities. It also highlights the ways in which our research has been put to use, and describes the flagship projects of our five signature programs.

AFD Group's strategy for studies and research

Our strategy for studies and research is in line with the priorities of AFD's Strategy. Divided into five signature approaches, it emphasizes public policy dialogue and research in the Global South.

Why does AFD do research?

- To provide our partners with high quality research that informs and supports public policy.
- To enhance the visibility and reach of our operational and strategic activities.
- To reinforce our cooperation with research partners in developing countries.



● Learn more about AFD's research at afd.fr

Multi-disciplinary,
with a focus on
academic excellence

Innovative,
based on
signature programs
and documenting
emerging phenomena

Addressing
several Sustainable
Development Goals
and contributing
to public policy
dialogue

With and for
research
in the Global South



Our signature approaches

1



Inequalities

2



Commons

3



Sahel

4



Economic
analysis

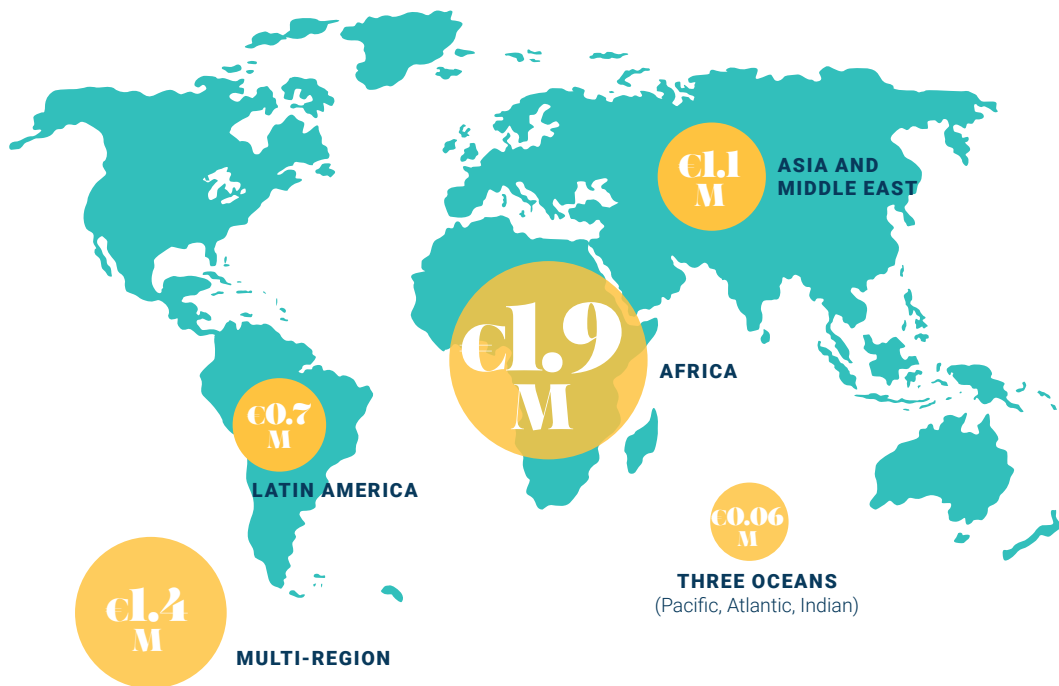
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Ecological
transitions

Studies and research funded in 2023

Amounts devoted to studies and research projects contracted in 2023, by region



76 studies and research projects carried out in collaboration with a partner, totaling **€5.2 million**

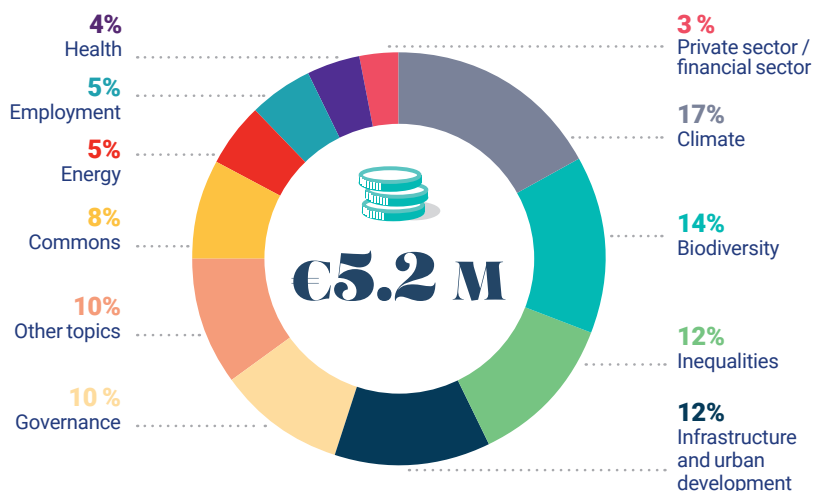


32 studies and research projects produced by AFD research teams



108 studies and research projects contracted in 2023

Breakdown of studies and research by topic (% of amount)



The 32 studies produced by AFD research teams consist mainly of macroeconomic analyses (47%), or focus on SDGs and development policies (25%), inequalities (6%), and socioeconomic vulnerabilities (3%).

South Africa: identifying the risks related to biodiversity loss



The links between the economy and nature are still poorly understood. This study combined ecological sciences and macroeconomics to assess and geographically locate physical and transitional risks in South Africa.

The findings indicate, for example, that 80.1% of exports depend on surface water and of these, 22.7% come from areas where water is scarce. As for impacts on biodiversity, about 80% of coal mining and 55% of metal extraction are located in areas where endangered ecosystems are threatened mainly by these mining activities.

This improved knowledge of risks can help economic decision-makers analyze the pertinence of the new global biodiversity framework and opportunities for its implementation.



● Download our research paper from afd.fr

Supporting research in the Global South

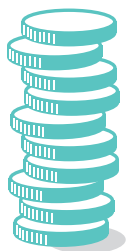
Achieving the SDGs requires mobilizing research to better understand and anticipate sustainable development issues, propose science-based solutions, and inform the choices of decision-makers. Each country needs robust research to grasp the specific challenges it faces and build its development agenda. However, research in many of the countries where we work is underfunded and not sufficiently linked to public debates.



This is why AFD Group has made support for national research a top priority, by supporting the **production of knowledge, the dissemination of findings, and the strengthening of research capacities.**

AFD Group supports and assists research in developing countries by:

- **Systematically including local teams in the research** we fund, as research partners who participate in the formulation of the terms of reference for studies and share the intellectual property of the findings;
- **Funding research capacity building and networking projects**, as well as initiatives to support young researchers;
- **Producing and disseminating knowledge** about research in developing countries, as well as building on that work to further improve our own practices.



€2.6 M
Total funding amount of studies and research projects contracted in 2023 involving at least one partner from the region studied

Funding research **without doing harm**

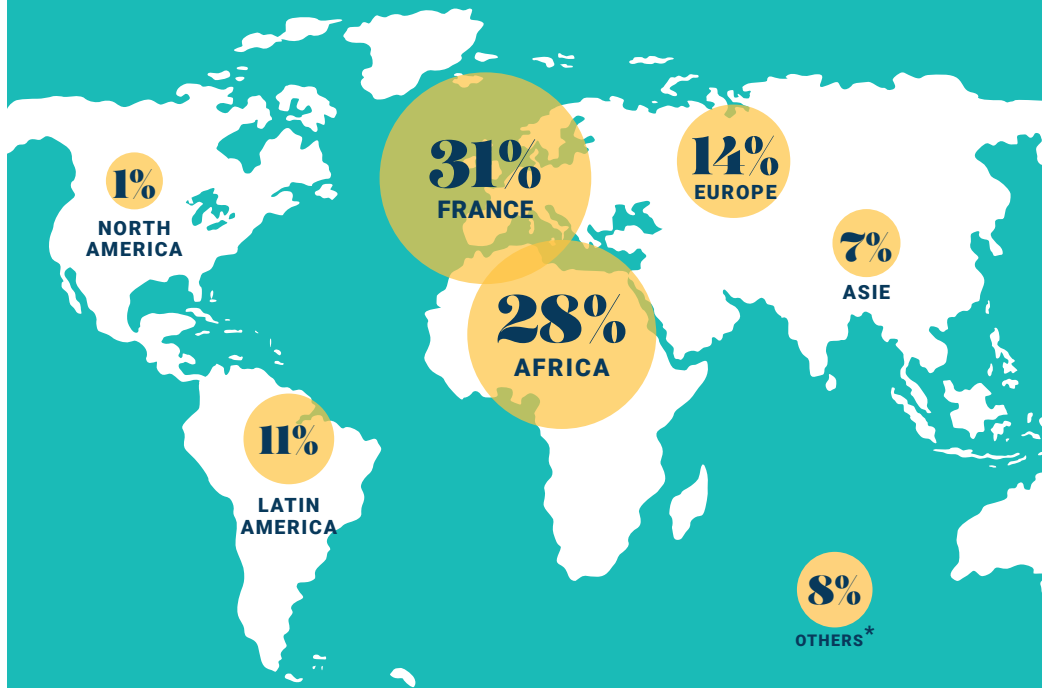
In Africa, social science research in support of development policies is largely dependent on international funding and as such can be a source of tensions. To support research without doing harm, AFD and the Global Development Network have developed a “virtuous” system based on four principles – simplification, sustainability, subsidiarity, and beneficiaries’ right of initiative – with a focus on strengthening research systems.



- **Download the policy paper from afd.fr**

Our Partners

Breakdown of AFD Group partners on new studies and research in 2023 As a % of the number of partnerships



* Partnerships with international organizations

A research network on public development banks

As part of an initiative of the Finance in Common coalition, AFD formed the international research group Global Research Network (GRN) in 2020. This network of some 30 researchers and think tanks produces original research to inform public policy dialog on public development banks.

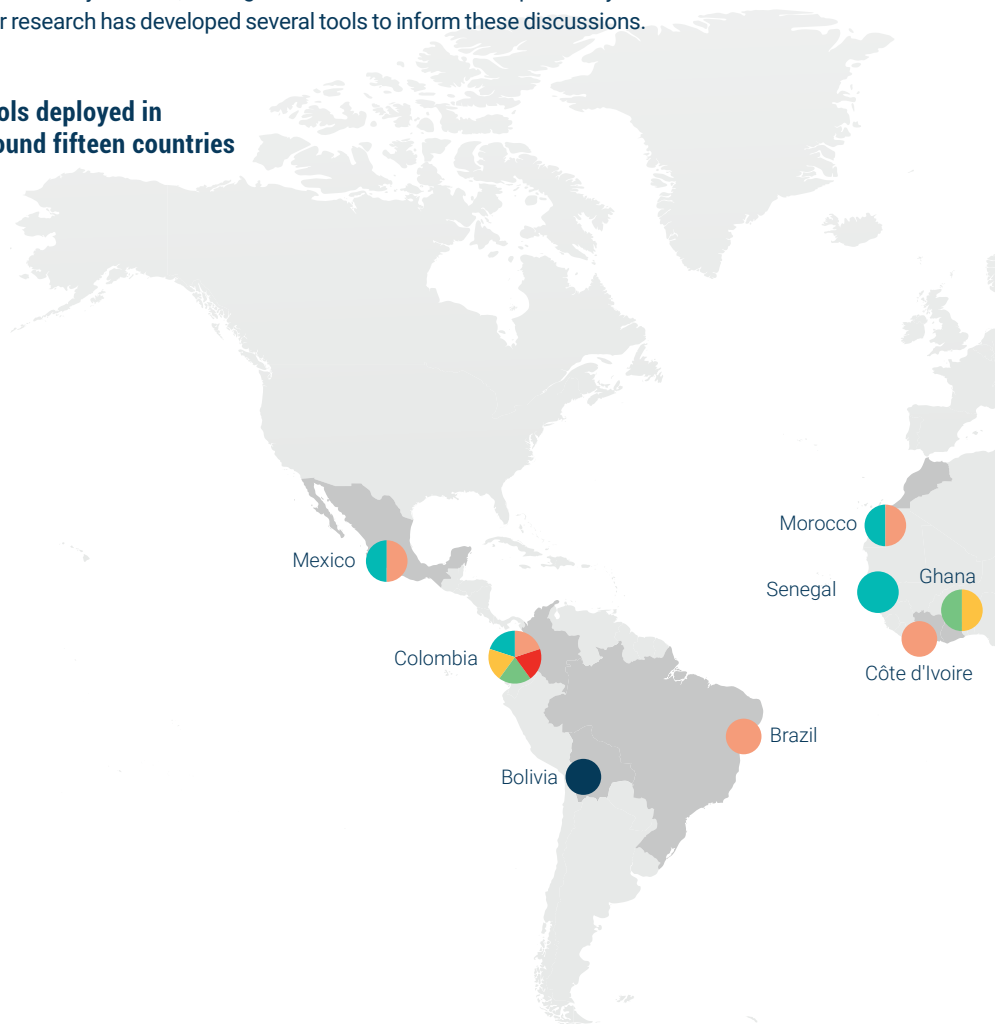
● See its publications at financeincommon.org

Tools to inform public policy dialog

AFD Group's approach to research is that it should straddle both the academic world and that of decision-makers, with the goal of contributing to public policy dialog and civic debate.

Through its research, partner networks, and field experience, AFD Group contributes to civic debate on public policy options that are compatible with sustainable development trajectories, taking into consideration both planetary limits and societal needs. Our research has developed several tools to inform these discussions.

Tools deployed in around fifteen countries



Climate-related financial risks

This research, conducted in partnership with WTW, assesses the financial risks that can emerge as part of a country's transition to a low-carbon economy.

● Read our studies on South Africa and Colombia

Fiscal incidence analyses

This analysis uses the CEQ Institute's methodology to assess the effects of a country's taxes and social spending on poverty and inequality.

● Find out more at afd.fr

Analysis of multidimensional inequalities

This tool provides a comprehensive analysis of the multiple dimensions of inequalities, at different geographical scales, and according to different disaggregation of population groups.

● Download the handbook from afd.fr

Esteem

In countries undergoing a low-carbon transition, the ESTEEM model uses fiscal, socio-economic, and external dimensions to analyze their macroeconomic dependence on industries that emit high levels of greenhouse gases.

● Read the research paper online

Esgap

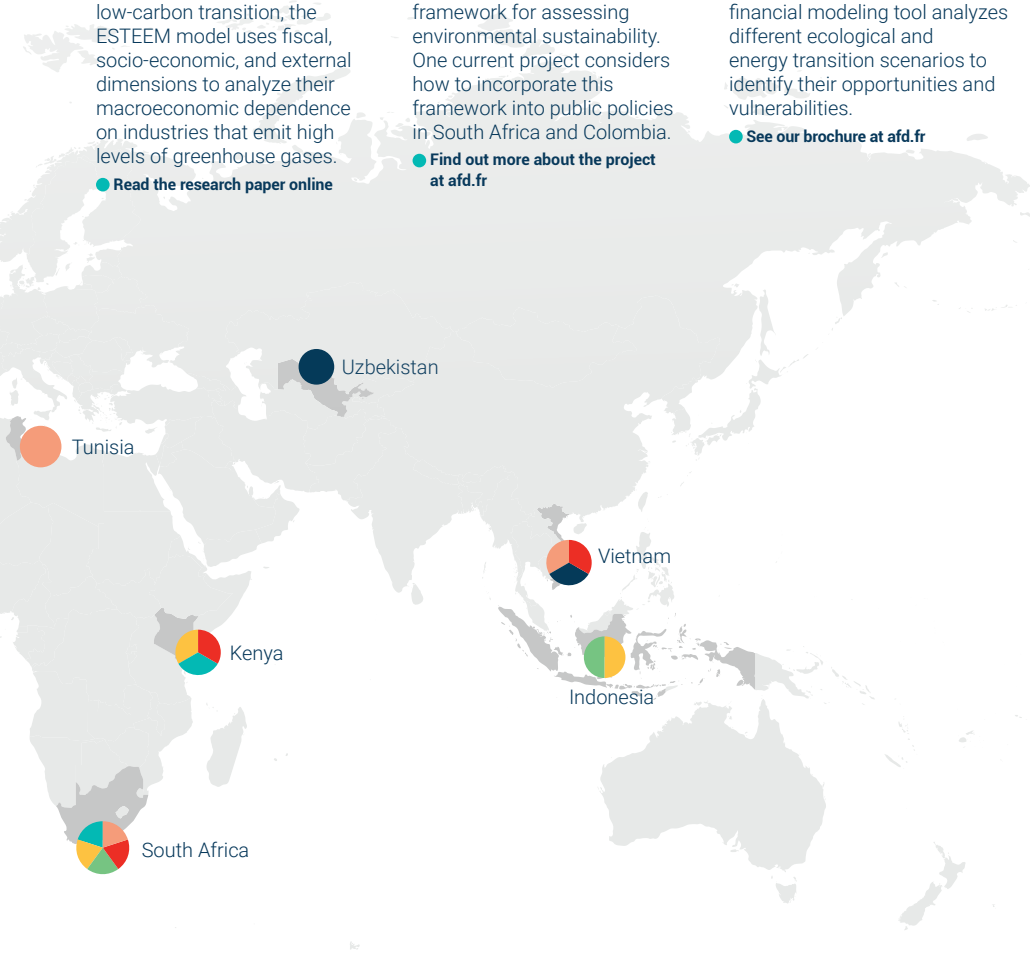
ESGAP provides a clear framework for assessing environmental sustainability. One current project considers how to incorporate this framework into public policies in South Africa and Colombia.

● Find out more about the project at afd.fr

Gemmes

This macroeconomic and financial modeling tool analyzes different ecological and energy transition scenarios to identify their opportunities and vulnerabilities.

● See our brochure at afd.fr



A few of our flagship projects in 2023



Carbon credits

This study sets out the principles to be applied to voluntary carbon markets, by basing them on organizational theory and the climate system through the available “carbon budget”.

● See the project sheet at afd.fr



Jobs and environmental transitions

In South Africa, a study will identify workers engaged in “green” and “brown” jobs, in addition to opportunities to transition the workforce to low-carbon sectors.

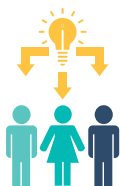
● See the project sheet at afd.fr



Climate change education

Two literature reviews assessed the concrete effects of climate change education on young people’s knowledge, attitudes, and behaviors. They also put forward recommendations for policymakers.

● Download the publications from afd.fr



“The Commons”

This publication explores various forms of commons in Africa, covering their tensions, drivers of change, and opportunities. It also looks at how commons contribute to building an innovative political project.

● Download the publication from afd.fr



Double vulnerability: the climate–financial trap

This study proposes an approach to identify countries that are both vulnerable to climate change and challenged by significant financial sustainability issues.

● Download this MacroDev publication from afd.fr

Promoting studies and research

AFD study and research findings are disseminated in a variety of ways, including through conferences, publications targeting experts and the general public, podcasts, and videos.



events in 2023,
attended by over
4,600 people,
47 % of whom from
the Global South



op-eds and
publications
in 2023



"Grandes Lignes" podcast (in French)

This podcast series analyzes the key issues of research on sustainable development. It rounds out our existing channels communicating on research, such as the "Studies & Knowledge" newsletter and Editions Agence française de développement's social networks. Nine episodes were produced in 2023.



● **Subscribe or listen**



subscribers to the
Studies & Knowledge
newsletter



"Inequality, Work and Nature" in South Africa

This conference was co-organized with the South African Presidency, the EU, and ACEIR, in the context of the "partnership for a just energy transition" signed with South Africa. Through this conference, AFD showed how it positions research as a means of encouraging dialog among universities, politicians, and partner countries, with the aim of promoting a development agenda integrated within sustainable trajectories.



● **Watch the replay on YouTube**

About AFD Group

AFD Agence Française de Développement (AFD) Group finances, supports and accelerates the transitions necessary for a more just and resilient world. It thus contributes to implementing France's policy on sustainable development and international solidarity. It is with and for communities that we build, with our partners, solutions in more than 160 countries, as well as in 11 French overseas departments and territories.

Our objective: to reconcile economic development with the preservation of common goods: the climate, biodiversity, peace, gender equality, education and health. Our teams are involved in more than 3,600 projects in the field, which are part of the commitment of France and the French people to fulfilling the Sustainable Development Goals.

For a world in common.



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