



Transport & Mobility

ACTIVITY REPORT

2023



The mobility of people and goods is an essential condition for achieving the Sustainable Development Goals (SDGs). It is critical for ensuring access to employment and essential services, boosting economic productivity, and preserving the quality of life in cities.

Following the turbulence associated with the Covid-19 crisis, passenger and freight flows began to recover significantly in 2022 and continued to improve in 2023. Prospects for economic recovery in the transport sector are thus encouraging.

However, the transport sector remains highly dependent on hydrocarbons, which represent more than 90% of its energy sources. This dependence is responsible for 20% of total greenhouse gas emissions. Because of the growth in urbanization and in demand for mobility, the need to decarbonize the transport sector remains a major challenge.

AFD Group is upholding its commitment by providing financing to promote low-carbon modes of transport. It also supports integrated planning for mobility systems and initiatives to reduce motorized travel. The integrated approach adopted by AFD is enabling it to continue its support for a transition to sustainable and resilient mobility and to contribute to achieving the SDGs.

AFD Group's transport and mobility strategy

AFD Group's actions in the transport and mobility sector target the following four goals:



Inclusive mobility systems

AFD Group promotes mobility systems that facilitate social ties and "access for all"; this includes transport connections for remote areas, inclusion of vulnerable people, user consultation and training.



Green and low-carbon mobility systems

AFD Group supports green and low-carbon mobility systems designed to heighten their positive impact and avoid or reduce local pollution.



Efficient, effective, and sustainable mobility systems

AFD Group ensures the long-term sustainability of projects by optimizing technical decisions and sectoral governance, balancing financial health of operators, and implementing durable models for operation and maintenance.



Safe mobility systems for all

AFD Group finances mobility systems that are safe for all. "Safety" here can refer to both the safety of complex systems (e.g., air, maritime, and rail transport) and to security for women in public spaces, including public transport.



Alignment with the SDGs

In 2023, the actions of our Mobility Division highlighted sustainable urban mobility in line with **SDG 11** and its target on access for all to urban public transport. The aim is to make cities more inclusive, safe, resilient and sustainable. Our financing has also contributed to improving road safety and air quality, in support of **SDG 3** and public health. Much of our financing targets connectivity infrastructure, in line with **SDG 9** for resilient infrastructure and sustainable industrialization. These initiatives have also contributed to **SDG 13.4** by reducing greenhouse gas emissions to mitigate the effects of climate change.

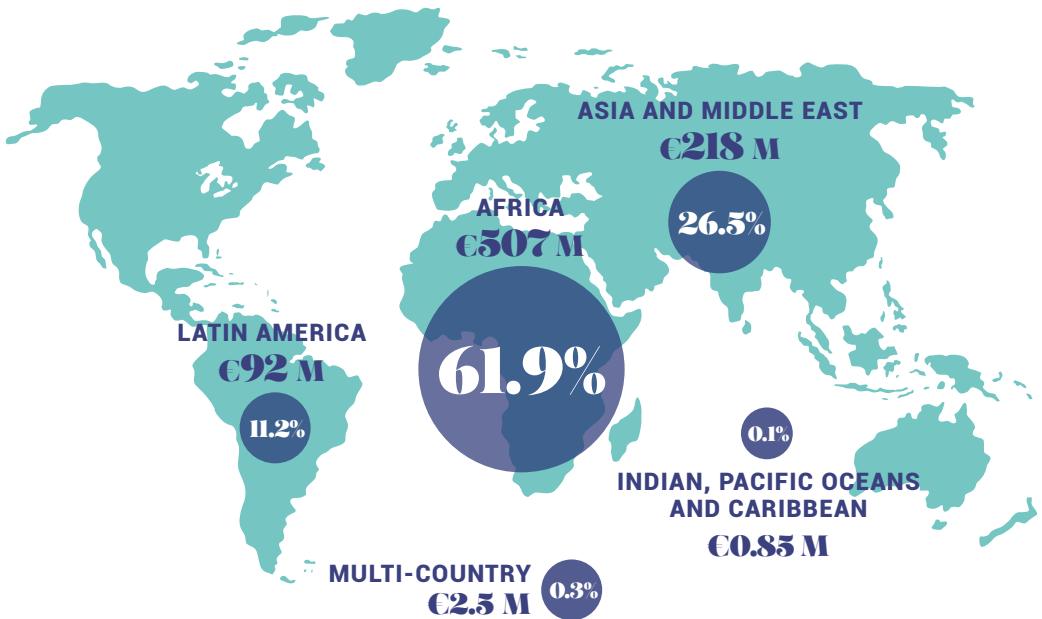
Transport projects approved by AFD Group in 2023

€820 M

transport and mobility in 2023



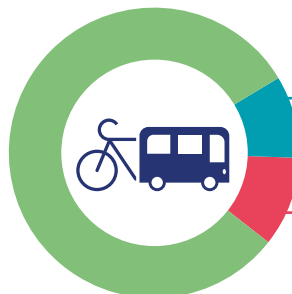
Breakdown by region



Breakdown by territory

Sustainable and low-carbon urban mobility:
a very significant marker of AFD Group's action

81%
Urban mobility



National trade
9%

International connectivity
10%

Urban mobility



AFD Group encourages the development of livable and inclusive cities. To achieve this goal, our projects promote efficient public transport systems, “active modes” of transportation (cycling and walking) and intermodality, and efficient management of road traffic that must transition to electric vehicles.



PARATRANSIT

Two projects are working to improve paratransit in cities, moving from unorganized operations to a more structured network in which small-scale operators are professionalized, and optimizing road use.



SECONDARY CITIES

Twelve “secondary” cities will receive financing to promote mobility, accessibility, and local attractiveness via three projects that represent **37%** of our 2023 commitments.



PUBLIC POLICY

A **€5 M** French government grant is supporting the MobiliseYourCity partnership, which promotes low-carbon and inclusive urban mobility in the Global South. Since 2015, France, Germany, and the European Union (EU) have allocated **€55 M**, including **€34.5 M** implemented by AFD.

Sumart Program for sustainable urban mobility

Sovereign loan + EU grant: **€200 M + €15 M**

Beneficiary: **İller Bankası Anonim Şirketi (İlbank)**



AFD provides support to İlbank, the Turkish bank for local authorities, for the development of urban mobility projects in Turkey. A €200 M loan combined with an EU grant of €15 M will help İlbank finance urban transport infrastructure in 10 Turkish cities. İlbank will also use grants to support the implementation or updating of Sustainable Urban Mobility Plans (SUMP) and studies on innovative aspects of electric and smart mobility. The program will also help build the capacities of İlbank and all Turkish municipalities in the field of sustainable urban mobility.

Expected impacts

- 10 urban mobility projects financed to improve the transport offer, the available bus fleet, soft mobility, and smart mobility
- 20 SUMP or planning policy documents produced
- At least 1,000 municipal workers trained in sustainable mobility
- 5 innovative or pilot project studies
- Institutional and technical capacity building (municipalities, İlbank)


National connectivity




Transport connectivity networks are crucial in promoting the economic and social development of countries at the national level. This includes the development and rehabilitation of passenger and freight transport networks (roads, rail, inland waterways), especially in rural areas.




The **EU Global Gateway strategy** for infrastructure has established a new paradigm for European players working internationally. It focuses on the development of strategic corridors in Africa, Asia, and the Mediterranean to facilitate economic exchanges. Global Gateway promotes European sustainability standards, regulatory cooperation, and cross-border trade, thereby strengthening the EU's economic resilience. **AFD Group's action in the transport sector supports this strategy by improving infrastructure, services, and organizations through:**



- Rehabilitating or even developing road, rail, and river routes, and making them more reliable



- Modernizing port complexes



- Facilitating cross-border trade (via standards, regulations, trade liberalization, etc.)

The Robeiki-Belbeis rail link project

AFD sovereign loan | €70 M

Beneficiary: Arab Republic of Egypt



This €202 M project is financed by the Egyptian government (€97 M), AFD (€70 M), and EBRD (€35 M). It will build 60 km of new railways to connect the new dry port of the new city of 10th of Ramadan, east of Cairo, thereby providing it with rail access to the Mediterranean, the Suez Canal, and Cairo. Project management is ensured by the Egyptian National Railways (ENR). The objective is to develop rail freight, which is more efficient and ecological and particularly adapted to Egyptian geography.

Expected impacts

- Greater low-carbon economic development
- Modal shift of the equivalent of 50% of freight traffic from dry port to rail, representing 356,000 TEU per year by 2035 (490,000 by 2055)
- 500,000 fewer trucks on the roads
- Creation of a local passenger service for approximately 17,000 passengers per day

International connectivity

At the international level, challenges include integrating regions (especially small island states and low-income countries) into global economic exchanges. It is also important to facilitate the energy transition and the decarbonization of the air and maritime transport sectors, in both the Global North and South. At the same time, the safety, security, and performance of hubs as well as the connections between them must be improved.

Supporting the green transition and decarbonization of international maritime transport



AFD is working with Transnet, South Africa's public rail and port freight operator, to support its energy transition. Through a **€7 M** grant from the EU, AFD is helping Transnet **determine and implement its green hydrogen and low-carbon** transition strategy, in line with South Africa's National Just Energy Transition Strategy. This technical assistance may lead to a loan from AFD to support the company's green strategy.

Facilitate trade along strategic corridors with TradeMark Africa



A **€5 M** grant from AFD is helping TradeMark Africa (TMA) to **facilitate trade between Ghana, Togo, and Benin along the Abidjan-Lagos corridor**. The project is harmonizing trade and customs procedures, developing cross-border "green" corridors, and strengthening local economic capacities. AFD is also working with TMA on a similar project along the Addis-Djibouti corridor via **€30 M** in EU financing.

Financing more efficient and sustainable infrastructure for port and airport terminals

A group of international institutions, including Proparco, is supporting **the expansion of the port of Damietta in Egypt** with a second container terminal, with the aim of **tripling its capacity and boosting its competitiveness**. Damietta Alliance Container Terminals will adopt an environmental and social management system in line with international best practices.



● In Cape Verde, Proparco is developing the country's seven airports, four of which are international, by improving safety and the environment and by increasing their capacity to match growth in passenger traffic.



3 crosscutting ways to accelerate improvements

1 Encourage technological and digital innovations in mobility.

The Omi Èko project in Lagos

AFD sovereign loan | €130 M

Beneficiary: Federal Republic of Nigeria



The State of Lagos is committed to the Omi Èko project to develop public mass river transport on the Lagos Lagoon. The project, implemented by the Lagos State Waterways Authority (Laswa), includes electric river shuttles, solar charging stations, as well as actions and infrastructure to adapt to climate change. AFD, the EU and the EIB are financing €360 M out of a total of €410 M as part of the Global Gateway initiative, with the goal of providing Lagos with safe, sustainable, and inclusive river and urban transport by 2030.

2 Mobilize the private sector, with balanced risk sharing, to optimize investments.

The Dakar BRT



The CETUD has launched an ambitious program to improve urban transport in Dakar. It will address congestion, road safety, and pollution problems by establishing the first electric Bus Rapid Transit (BRT) system in sub-Saharan Africa. This BRT covering 18.3 km will carry up to 300,000 passengers per day. It is organized as a PPP, with a private operator financing and operating the electric bus fleet. Financing for the project comes from loans from Proparco (€85 M) and the Emerging Africa Infrastructure Fund (€7 M) as well as from EU grants (€15 M) and a venture capital contribution from MERIDIAM (€35 M).

3 Involve French and EU players, and facilitate exchanges and bilateral cooperation.

AFD works closely with Expertise France to maximize the impact of its actions in the sector. Expertise France is the French international technical expertise agency. It implements technical cooperation and capacity-building projects in partner countries, providing advisory services, training, and technical assistance covering areas such as infrastructure management, the regulatory environment, and the regulating of transport networks. By working closely with Expertise France, AFD maximizes the impact of its interventions in the sector.

Multiple contributions to the SDGs

Resource indicators

In 2023



41%

of the approved projects are helping to reduce gender inequalities.



90%

of new commitments provide climate co-benefits.



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approved projects (i.e. 80% of the total committed) undertake to strengthening project management and involving stakeholders in the governance of activities.

Expected results:



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SUSTAINABLE CITIES AND COMMUNITIES

▶ **9.2 million people** will benefit from improved access to sustainable transportation (including 6 million for the AIM project in Abidjan).

▶ **2.5 million people** (per day) will use public transport provided by projects financed by AFD Group (including 1.7 million for the AIM project in Abidjan).



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CLIMATE ACTION

▶ **151,127 tonnes of CO2/year** will be avoided thanks to the projects begun in 2023, thereby contributing to the implementation of effective policies and the adoption of green technologies.

▶ **199 electric vehicles** will be purchased to operate public transport lines (78 lagoon transport vessels and 121 electric buses).



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INDUSTRY, INNOVATION AND INFRASTRUCTURE

▶ **170 km of mass urban transport lines and 60 km of interurban land routes** will be created or upgraded.

▶ **4 airports financed by Proparco** will benefit from environmental and/or climate certification.

Breakdown by financial tool

EU delegated funds **10%**

Private sector **15%**

Grants **2%**

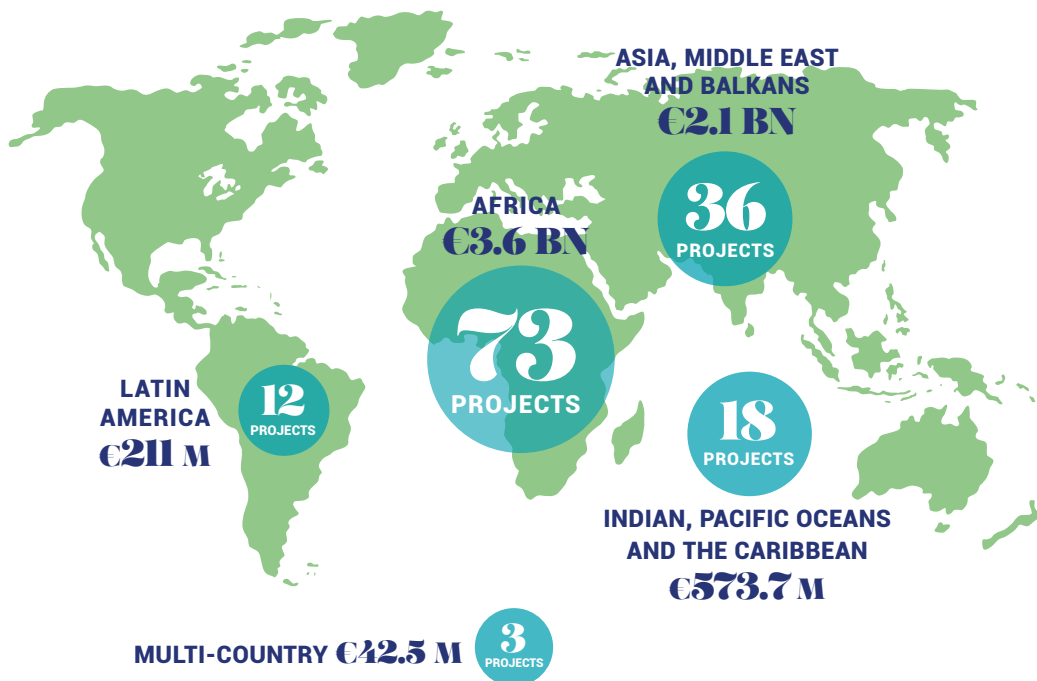



73%
Sovereign
loans

Portfolio of projects in progress


In the management of the portfolio of projects in progress, our teams are increasingly involved in carrying out infrastructure projects aimed at capacity building, studies and planning. This approach helps to enrich dialog and promote effective sectoral governance.

Breakdown by region



 **142** projects
in progress (excluding study funds) in the
transport sector as of December 31, 2023
with total commitments
amounting to some **€6.5 BN**
and a not-yet-
disbursed amount of **€4.2 BN**.

 **14**
agreements
signed in 2023,
totaling more than
€770 M.

 **€593 M**
disbursed in 2023

Achievements and outcomes

Between 2021 and 2023, 22 AFD-financed transport infrastructure projects were completed and commissioned, with the following outcomes:



6.4 MILLION PEOPLE

have improved access to sustainable transport



NEARLY 2.8 MILLION PASSENGERS

use public transport on the sections financed



279 KM OF LINES

of quality mass transit have been created or upgraded



NEARLY 360 KM OF LAND ROUTES

(roads or railways) between cities have been created or upgraded (not including rural roads)



459 LOW-EMISSION BUSES

have been financed or renewed

Notable projects commissioned in 2023:



- Launch of Line E of the Rapid Railway Network (RFR) in **Tunis**, offering a new efficient and modern transport option
- Extension of **Istanbul** Metro Line 7, connecting Mecidiyeköy to Yıldız, providing improved mobility in the metropolis.
- Extension of the Golden Horn tram in **Istanbul** to downtown.
- Modernization of the Umm Qasr port infrastructure in **Iraq**, with notable improvements such as the upgrading of a 250 m wharf, purchase of two modern gantry cranes, and the expansion of the terminal, resulting in increased processing capacity for containers.

For a world in common

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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