



AFD strategy & activities in GMS Transport sector

GMS Subregional Transport Forum

STF-24

January 2021



AFD AT A GLANCE

AFD = France's bilateral development-policy platform



A full range of financial instruments
... to finance the SDGs



OUR MANDATE

- Implement the French cooperation policy with partner countries
- Bring financial and technical support through loans and grants



€14 billion in 2019 of new commitments (+700 new projects)
3rd largest bilateral donor

PROPARCO

Private subsidiary for private sector development



MAIN FUNDING PARTNERS IN ASIA: ADB, EU, WB, JICA, KFW, etc.



108

Countries



85

Country Offices



77

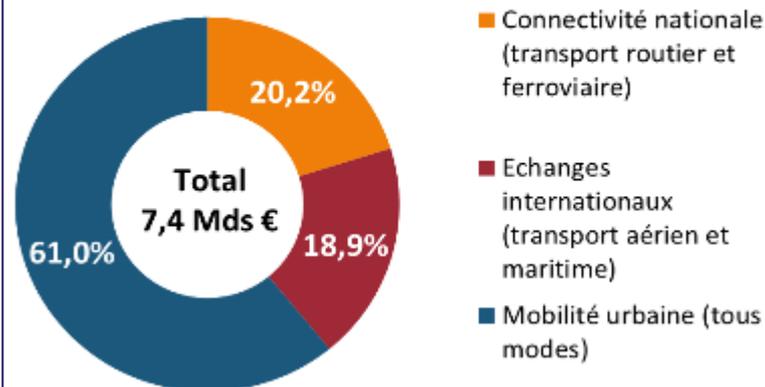
Years (1941)

SUSTAINABLE MOBILITY, AN IMPORTANT AXIS OF FRANCE INTERNATIONAL AGENDA

Financial commitments of AFD group in the transport sector

- About 1,2 Bn € /year
- 60% « urban mobility »
- 30% non-sovereign
- 1/3 in Sub-Saharan Africa
- **+ 60% with a climate co-benefit**

Répartition des engagements Transport
2012-2017 suivant les dimensions territoriales



- Important French and European economic stakeholders and expertise
- Relevant technical assistance to address an increasingly ambitious international agenda

In Asia:

- Around **5 new projects / year**, mostly in **urban transport**
- **Total AFD financing / year : 250 to 500 M€**

A QUICK OVERVIEW OF AFD TRANSPORT & MOBILITY NEW STRATEGY

Four goals to build sustainable and inclusive mobility systems



- Inclusive



- Green and low-carbon



- Efficient



- Safe

Three cross-cutting catalysers



- Digital and innovation



- Private sector



- Expertise and partnerships

Three territorial scales



local



national



International



AFD TRANSPORT PROJECTS IN SEA / GMS

From planning to projects

- Sustainable urban mobility planning (SUMP)

-  ○ Bandung Low Carbon Mobility Plan (LCMP) - Kota (AFD Grant, 2014-2017)
-  ○ Indonesia – Medan SUMP (AFD Grant, 2020-2021)
-  ○ Myanmar – Mandalay SUMP (AFD Grant, 2020-2021)



- Urban mass-transit projects

-  ○ Vietnam – Hanoi Metro Line 3 (€200m AFD loan)
-  ○ Philippines – Cebu BRT (€60m AFD loan)



- Railways & rural roads projects

-  ○ China – Xianggui railways electrification project (€80m AFD loan)
-  ○ Vietnam – Yen Vien Lao Cai railways upgrading (€32m AFD loan, with ADB)
-  ○ Cambodia – Rural Road Development RID4CAM (€50 AFD loan, with ADB)



CONTEXT

- Hanoi is the capital of Vietnam (more than 7M inhabitants), with only one BRT line as a mass public transport system
- Rapid urban growth and extended use of motorbikes, with a growing trend for use of cars
- Growing negative externalities : congestion, air pollution

PROJECT DESCRIPTION

- Construction of a 12,5km long metro line : 8,5 km aerial and 4 km underground.
- 2 phases for opening : elevated section end of 2021, underground section in 2023.
- Total cost = 1,2 billion €, in which 964 millions € of foreign/donors loans



FUTURE PERSPECTIVES

- Studies about the extension of this metro line started in 2018 (pre-FS is being approved).
- AFD, jointly with KfW and ADB, is identified by Vietnamese government to finance this extension.
- An EU grant (delegated to AFD) should be mobilized from next year to finance the Feasibility study, and additional urban mobility studies for the city of Hanoi.

 **Urban Mobility**

 **Vietnam, Hanoi**

 **07/07/2011 : start date of the project**

 **3 sovereign Loans (1 fully disbursed)**

AFD financing : 159 M€

Cofinancing :
ADB, EIB, French Treasury

Beneficiary :
Hanoi People's Committee



INDICATIVE PIPELINE OF TRANSPORT PROJECTS IN THE REGION

AFD willing to support GMS partners in their effort towards developing sustainable and low-carbon transport projects

- Hanoi sustainable urban transport program (Vietnam), with EU-AIF Grant
- Hanoi Line 3 Metro Extension project (Vietnam), with ADB & KFW
- Phuket LRT (Thailand)
- Yangon BRT (Myanmar), with ADB
- Indonesia Mass Transport Program – IMTP (Indonesia), with WB





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