

# Annual Performance Report (APR) AFD – TFSC Programme

**Reference Number (FP095): Funding Proposal “Transforming Financial Systems for Climate” (TFSC)**

**Accredited Entity Name : Agence Française de Développement (AFD)**

**Annual Reporting Period Covered in this Report:  
(From 28-10-2019 to 31-12-2019)**

## Sections in this report:

- Section 1: General Information
- Section 2: Implementation Progress
- Section 3: Financial Information<sup>1</sup> (Excel worksheet attached).
- Section 4: Report on Environmental and Social Safeguards & Gender
- Section 5: Annexes
- Section 6: Attachments

*Please submit the APR to [opm@gcfund.org](mailto:opm@gcfund.org)*

SUBMITTED BY	
<b>Name and title: Agence Française de Développement</b>	<b>4<sup>th</sup> March 2020</b>
<b>Please indicate if this report has been shared with the relevant NDA(s) for this Funded Activity : No</b>	

## SECTION 1: GENERAL INFORMATION

<sup>1</sup> Please refer to excel worksheet attached “APR Section 3 (Financial Information)”. Provide as attachments to this report any detailed additional financial information if required in the Funded Activity Agreement.

This section provides general information on the funded activity.	
1. Funded Activity Title:	<i>Transforming Financial Systems for Climate</i>
2. Funding Proposal Number:	<i>(FP095)</i>
3. Date of Board approval - Board Meeting Number:	10/20/2018 <i>B.21</i>
4. Accredited Entity:	<i>Agence Française de Développement (AFD)</i>
5. Focal Point of the Accredited Entity for this Project:	Estelle Mercier ( <a href="mailto:merciere@afd.fr">merciere@afd.fr</a> )
6. Executing Entity(ies):	<i>Agence Française de Développement (AFD) PROPARCO</i>
7. Implementation Period:	<i>From: 10/28/2019 To: 10/28/2026</i>
8. Current year of Implementation:	<i>(year 1)</i>
9. Date of Submission of the Report:	3/4/2020
10. Annual Reporting period covered in this report:	<i>From: 10/28/2019 To: 12/31/2019</i>
11. Total Project Budget <sup>2</sup> :	<i>Loan: EUR 413.000.000 Grant: EUR 38.000.000</i>
12. Total amount of GCF Proceeds Approved:	<i>Loan: 209.000.000 Grant: 31.000.000</i>
13. Total amount of GCF Proceeds disbursed (cumulative) to the Accredited Entity:	<i>Loan: EUR 0 Grant: EUR 0</i>

<sup>2</sup> Total project budget including co-financing as reflected in the relevant Funded Activity Agreement.

## SECTION 2: IMPLEMENTATION PROGRESS

### 2.1 OVERALL (SUMMARY) PROJECT PROGRESS *(less than one (1) page<sup>3</sup>)*.

After a negotiation period of few months from the B21 (October, 2018), **AFD and the GCF signed the Funding Activity Agreement (FAA) on June 26, 2019, which became effective on October 28<sup>th</sup>, launching the TFSC Program's implementation phase.** In parallel, AFD Group engaged an intense pro-  
spection phase in several hosting eligible countries.

As of December 31, 2019, **2 projects have been approved by the AFD's Board with TFSC programme's resources:**

- **Egypt:** with the National Bank of Egypt, the Qatar National Bank and the Ministry of Environment (EUR 154.5M);
- **Ecuador:** with Banco Del Pacifico, Banco de Desarrollo del Ecuador, Corporacion Financiera Nacional, Corporacion de promocion de exportaciones e Inversiones and the Ministry of Environment (EUR 88.1M);
- The formalisation phase for these 2 projects is ongoing with the LFPs and institutional partners. The implementation is expected to be launched, with first disbursements, in S2, 2020.

As of December 31, 2019, **committed amount on the TFSC programme was EUR 242.6M** (37.2% of the TFSC's total budget):

- Loans: EUR 233.6M (38.0% of the budget);
- Grants: EUR 9.0M (23.7% of the budget).

For the incoming years of the implementation phase (2020-2022), the pipeline remains strong, with opportunities for FY2020-2021 in WAEMU zone, Morocco and South Africa. Active pro-  
spection is still ongoing in Nigeria, Namibia, Madagascar, Uganda, Kenya, Tanzania and Mauritius.

For the implementation phase, **the AFD Group's team is dealing with several issues to facilitate the implementation phase and to keep the Programme attractive for the LFPs and institutional partners. These issues have to be discussed with the GCF/OPM in January 2020.**

- Financing adaptation (additional effort to bridge the climate adaption investment gap with LFPs)
- The geographical scope (case of multi-countries operations in East Africa and in WAEMU)
- E&S documentation (language of ESIA and consultation process by the GCF on cat. A sub-projects)

### 2.2 Performance against the GCF Investment Criteria (summary) *(max two (2) pages)*.

<sup>3</sup> Please remove text below to fit report to one page. Additional reports can be provided as other attachment to the APR.

*Not applicable*

**2.2.1 Impact Potential (max one (1) page).**

*Not applicable*

**2.2.2 Paradigm shift potential (max one (1) page).**

*Not applicable*

**2.2.3 Sustainable development potential (max one (1) page).**

*Not applicable*

**2.2.4 Needs of the recipient (max one (1) page).**

*Not applicable*

**2.2.5 Country Ownership (max one (1) page).**

*Not applicable*

**2.2.6 Efficiency and Effectiveness (max one (1) page).**

*Not applicable*

2.3 PROJECT OUTPUTS IMPLEMENTATION STATUS <sup>4</sup>			
Project Output	Project Activity	Status <sup>5</sup>	Implementation progress <sup>6</sup> (%)
Not applicable	Not applicable	Not applicable	Not applicable
	Not applicable	Not applicable	
	Not applicable	Not applicable	Not applicable
	Not applicable	Not applicable	
	Not applicable	Not applicable	Not applicable

<sup>4</sup> Outputs and Activities reported here should be aligned with the Activities in the Logic Framework and Implementation Timetable of the project.

<sup>5</sup> Activity Not Yet Due; Activity Started -ahead of schedule; Activity started – progress on track; Activity started but progress delayed; Activity start is delayed.

<sup>6</sup> Implementation progress on a cumulative basis as of the date of the report.

	<i>Not applicable</i>	Not applicable	
Not applicable	Not applicable		Not applicable
	Not applicable		Not applicable
	Not applicable		Not applicable
	Not applicable		Not applicable
Not applicable	Not applicable		Not applicable
	Not applicable		Not applicable

<b>2.4 PROGRESS UPDATE ON THE LOGIC FRAMEWORK INDICATORS<sup>7</sup></b>					
<b>2.4.1 PROGRESS UPDATE ON FUND-LEVEL IMPACT INDICATORS OF THE LOGIC FRAMEWORK</b>					
<b>Fund-level impact Core indicators<sup>8</sup> (Mitigation)</b>	<b>Baseline</b>	<b>Current value<sup>9</sup></b>	<b>Target (mid-term)</b>	<b>Target (final)</b>	<b>Remarks (including changes<sup>10</sup>, if any)</b>
<b>Mitigation Core Indicator 1</b> <i>Tonnes of carbon dioxide equivalent (tCO<sub>2</sub>eq) reduced as a result of Fund-funded projects/programmes</i>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>Mitigation Core Indicator 2</b> <i>Cost per tCO<sub>2</sub>eq decreased for all Fund-funded mitigation projects/programmes</i>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>Mitigation Core Indicator 3</b> <i>Volume of finance leveraged by Fund funding (Disaggregated by public/private source)</i>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>Mitigation Impact Indicator 1</b> <i>(E.g. Tonnes of carbon dioxide equivalent (tCO<sub>2</sub>eq) reduced or avoided emissions through increased low-emission energy access and power)</i>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>Mitigation Impact Indicator 2</b> <i>Etc.</i>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

<sup>7</sup> Per the approved methodology in and the Logic Framework in the Funding Proposal, please provide an update on the relevant indicators.

<sup>8</sup> As per the relevant indicators established in the Funding Proposal and the Performance Measurement Framework, including all indicators approved by the Board and relevant updates agreed with GCF, if applicable.

<sup>9</sup> As of 31 December of the relevant year.

<sup>10</sup> Related to the approved indicators and targets in the Logic Framework.

<b>Fund-level impact indicators<sup>11</sup> (Adaptation)</b>	<b>Baseline</b>	<b>Current value<sup>12</sup></b>	<b>Target (mid-term)</b>	<b>Target (final)</b>	<b>Remarks (including changes<sup>13</sup>, if any)</b>
<b>Adaptation Core Indicator Direct Beneficiaries</b>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>Adaptation Core Indicator Indirect Beneficiaries</b>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>Number of total beneficiaries relative to total population</b>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>Adaptation Impact Indicator 1 (E.g. Number of males and females benefiting from introduced health measures)</b>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>Adaptation Impact Indicator 2 Etc.</b>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

<sup>11</sup> As per the relevant indicators established in the Funding Proposal and the Performance Measurement Framework, including relevant updates agreed with GCF, if applicable.

<sup>12</sup> As of 31 December of the relevant year.

<sup>13</sup> Related to the approved indicators and targets in the Logic Framework.



<b>2.4.2 PROGRESS UPDATE ON PROJECT/PROGRAMME LEVEL INDICATORS OF THE LOGIC FRAMEWORK<sup>14</sup></b>					
<b>Project/Programme indicators (Mitigation/Adaptation)</b>	<b>Baseline</b>	<b>Current value<sup>15</sup></b>	<b>Target (mid-term)</b>	<b>Target (final)</b>	<b>Remarks (including changes<sup>16</sup>, if any)</b>
<b>Indicator 1 (Outcome level) (Mitigation/Adaptation)</b> <i>(e.g. 6.3 Mitigation: MWs of low-emission energy capacity installed, generated and/or rehabilitated as a result of GCF support)</i>	Not applicable	Not applicable	Not applicable	Not applicable	
<b>Indicator 1 (Output level)</b> <i>(e.g. Wind power generation plant commissioned)</i>	Not applicable	Not applicable	Not applicable	Not applicable	
<b>Indicator 1.1</b>	Not applicable	Not applicable	Not applicable	Not applicable	
<b>Indicator 1.2</b>	Not applicable	Not applicable	Not applicable	Not applicable	
<b>Indicator 1.3, etc.</b>	Not applicable	Not applicable	Not applicable	Not applicable	
<b>Indicator 2 (Outcome level) (Mitigation/Adaptation)</b>	Not applicable	Not applicable	Not applicable	Not applicable	
<b>Indicator 2 (Output level)</b>	Not applicable	Not applicable	Not applicable	Not applicable	
<b>Indicator 2.1</b>	Not applicable	Not applicable	Not applicable	Not applicable	
<b>Indicator 2.2, etc.</b>	Not applicable	Not applicable	Not applicable	Not applicable	

<sup>14</sup> As per the relevant indicators established in the Funding Proposal and the Performance Measurement Framework, including relevant updates agreed with GCF, if applicable.

<sup>15</sup> As of 31 December of the relevant calendar year.

<sup>16</sup> Related to the approved indicators and targets in the Logic Framework or relevant FAA.

**2.5 REPORT ON CHANGES DURING IMPLEMENTATION (include actual and expected changes)**

*Not applicable*

**2.6 IMPLEMENTATION CHALLENGES AND LESSONS LEARNED**

*Describe implementation challenges faced during the last reporting period, including measures adopted and lessons learned. If any issues have arisen in the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project, please provide a description of those items and how they have impacted the implementation period and final targets.*

<i>Challenge encountered</i>	<i>Type<sup>17</sup></i>	<i>Measures adopted</i>	<i>Impact on the project implementation<sup>18</sup></i>	<i>Lessons learned and Other Remarks</i>
<i>Not applicable</i>	Choose an item.	<i>Not applicable</i>	Choose an item.	<i>Not applicable</i>
	Choose an item.		Choose an item.	

<sup>17</sup> Implementation; Legal; Financial; Environmental/Social; Political; Procurement; Other; AML/CFT; Sanctions; Prohibited Practices.

<sup>18</sup> Minor/Solved; Moderate; High.

**SECTION 4: REPORT PROJECT SPECIFIC ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS & GENDER**

**4.1 IMPLEMENTATION OF ENVIRONMENTAL AND SOCIAL SAFEGUARDS AND GENDER ELEMENTS**  
*(max 1 page)*

Not applicable

**4.2 GENDER ACTION PLAN**

*Not applicable*

**4.2.1 PROGRESS ON IMPLEMENTING THE PROJECT-LEVEL GENDER ACTION PLAN SUBMITTED WITH THE FUNDING PROPOSAL.**

Activities/actions	Indicators	Baseline	Targets, including sex-disaggregated targets	Budget	Report on annual progress
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

#### 4.3 PLANNED ACTIVITIES ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS

*Not applicable*

#### 4.4 PLANNED ACTIVITIES ON GENDER ELEMENTS

*Not applicable*

## SECTION 5: ANNEXES

**Annex 1.** Updated implementation timetable for the Funded Activity.

**Annex 2.** Accredited Entity compliance reports (self-assessment reports<sup>19</sup>, report on actions pursuant to Clause 18.02, if applicable<sup>20</sup>).

## SECTION 6: ATTACHMENTS

**Attachment 1.** Unaudited/Audited financial statements (as required by FAA).

*(If available. If not submitted, indicate date of submission.)*

**Attachment 2.** Interim/Final evaluation report (as required by FAA).

*(If available. If not submitted, indicate date of submission.)*

**Other Attachments (if any).** Such as additional budget-related information, loan repayment schedules to GCF (interest/principal), equity investment schedules, other related reports relevant to the Funded Activity, statements of capital account, valuation reports, credit guarantee agreements, investor reports, and others, as specified in the relevant legal agreements (e.g. Funded Activity Agreement, Shareholders Agreement)

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<sup>19</sup> In accordance with the AMA requirement in Clause 13.01 of the Accreditation Master Agreement, with the Fiduciary Principles and Standards, ESS and Gender Policy.

<sup>20</sup> Only applicable to International Accredited Entities. In accordance with the Monitoring and Accountability Framework, a report on its actions carried out or planned to be carried out pursuant to Clause 18.02 of the Accreditation Master Agreement.