

South Africa and France have built, over the last fifteen years, a close collaboration to alleviate poverty and promote sustainable development in Southern Africa.

This partnership is focused on some of the most strategic South African development goals: giving previously disadvantaged people access to essential services, supporting shared and sustainable economic growth and promoting environmentally sound development. South Africa and France also strive to promote regional integration and democratic governance.

To reach these ambitious objectives France has committed over **1,5 billion Euros** to South Africa since 1994. **French annual commitments have increased tenfold over the last decade to reach 444 million Euros in 2009.** Today, France is **one of the first foreign donors** in South Africa.

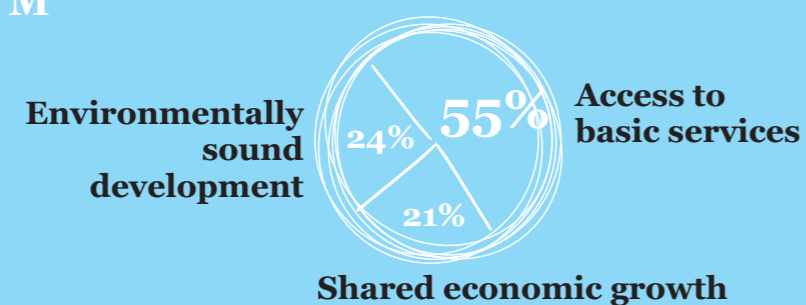
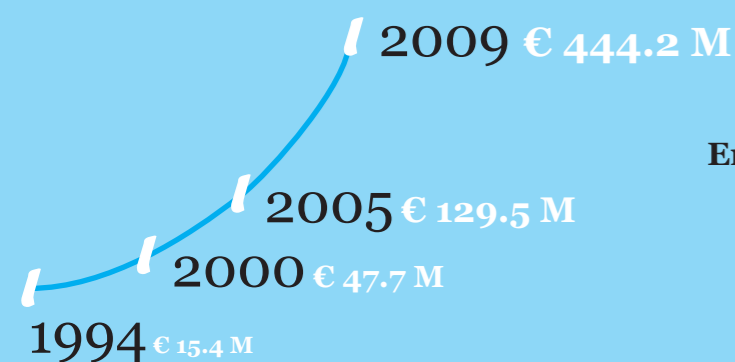
In accordance with the bilateral France-South Africa Partnership Framework Document for the period 2006-2010, the **French Development Agency (AFD)** implements most of the French development cooperation. **South Africa is one of its very first beneficiaries among 65 countries in the world.**

AFD and Proparco, its subsidiary for private sector, provide financing solutions specifically geared to the needs of their South African partners. This includes loans with preferential interest rates and guarantees. Besides financing products, AFD also offers expertise and specialised technical assistance. **This variety of tools has allowed AFD group to work with a large range of partners including municipalities, private and public companies, commercial and public development banks.**

The Embassy of France coordinates the French cooperation system. In South Africa, it includes AFD and its subsidiary Proparco, the French Global Environment Fund, technical assistants in South African institutions, three research teams from the Institute for Research and Development, the Agricultural Research Centre for International Development and the French Institute in South Africa.

The Embassy also implements projects supporting democratic governance as well as scientific, linguistic, and cultural cooperation.

AFD Group Annual Commitments to South Africa since 1994



Results of a 15 year old partnership

Providing access to essential services

55% of AFD's commitments since 1994 have been dedicated to the improvement of municipalities' infrastructures for a better provision of access to basic services.

Thanks to AFD supported projects :

- **2 million** people now have access to **drinking water**
- **100 000** water connections were upgraded in Soweto
- **1,5 million** people are now connected to the **electricity** grid
- **400 000** persons accessed primary **healthcare** infrastructures.
- **12 000** new **affordable houses** were financed.

Supporting shared economic growth

21% of AFD's commitments have been dedicated to the support of the productive sector.

- **100** Small and Medium **Enterprises** were created thanks to AFD's financing, giving **employment to 3 000** persons.
- **500 000** workers enrolled in professional **training**.

Encouraging environmentally sound development

24% of AFD's commitments have financed eco-friendly development.

- **40 000** hectares in what are considered **2 of the 32** most important **biodiversity spots** on Earth were protected by AFD's partners (Table Mountain and Addo Elephant National Parks).
- **12 000** tons of CO₂ per month are not emitted thanks to Durban's landfill gas-to-electricity generating plant.

a commitment to Aid effectiveness

France and South Africa are strongly committed to implementing the recommendations of the 2005 Paris Declaration.

A results oriented approach

The "results oriented" evaluations carried out after all projects precisely assess the contribution of French assistance to South African development goals.

A predictable and contracyclical aid

The continued increase of French commitments to South Africa has allowed France to support its partners in difficult times, when its assistance was the most helpful.

A coordinated support

Alongside with a number of international donors, and particularly with the European family, France strives to reduce the costly fragmentation of aid and contributes to a clear division of labour.

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PARTNERS IN DEVELOPMENT
FRANCE & SOUTH AFRICA

Civil Society Development Fund

At the local level, service delivery, social cohesion and respect of human rights are sometimes hampered by poor governance and lack of public participation.

This is why the French Embassy's Civil Society Development Fund supports the participation of Civil Society Organizations in **local governance**.

Every year, **200 000 Euros are granted to selected organizations** that contribute to local public policies, strengthen the accountability of local governments and advocate the interests of marginalized communities.

**promoting
democratic
governance**

Partners for a safer South Africa

French support to democratic governance also includes cooperation with the South African Police Service in its endeavour to fight crime more effectively, in accordance with the democratic laws and values of South Africa. Training and experience sharing are provided by the French police, including on **stadiums' security for the 2010 World Cup**.

Capacities in local governments

A joint AFD/INCA fund has financed the specialised training of 3 000 municipal managers and counsellors. From 2000 to 2008, a hundred municipal counsellors or managers also went on an annual study tour to France.

Local basic infrastructures

From 1994 to 2007, in partnership with DBSA (Development Bank of Southern Africa) and INCA (Infrastructure Finance Corporation Limited), AFD invested nearly 300 million Euros to develop basic local infrastructures. It also provided direct funding to large municipalities, such as Johannesburg and eThekweni (Durban). Bolstered by its first successes, it now intends to support smaller municipalities.

Thanks to the first contributions made by AFD and DBSA, more than 1.5 million people were connected to the electricity, more than 800 000 got access to water and 400 000 were provided with primary health care services.

Affordable housing

AFD has accompanied three South African banks to provide housing loans to low-income households. It will further contribute to this objective by funding public institutions and corporations and by supporting local and provincial governments' housing programmes.

**giving
previously
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people
access to
essential
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**our
main
objectives
for a
result oriented
cooperation**

**supporting
shared &
sustainable
economic
growth**

Broad Based Black Economic Empowerment

Since 1994, AFD and Proparco have committed over 120 million Euros to incite South African financial institutions to further support small and medium BEE enterprises.

South African productive sector

AFD supports South African economic growth by funding large infrastructure programs which are key to the economic development of the country. This includes projects in the fields of transport, telecommunication, energy, bulk water etc.

AFD partnered, for instance, with ACSA (Airport Corporation of South Africa) to finance the extension of Johannesburg International Airport.

Professional training in priority sectors

AFD is a partner of Edu-Loan, a further education loan provider which currently supports close to 500 000 students.

In 2010, DBSA and AFD will introduce a master's degree in development studies, open to 100 persons every year.

**encouraging
regional
integration**

AFD fosters regional integration on the African continent, with a specific focus on the SADC countries. It supports regional infrastructure projects, including NEPAD's projects, in energy, transportation and telecom.

DBSA and AFD co-finance a Project Preparation Fund of 7,4 million Euros. AFD is funding feasibility studies of several electricity interconnection projects within the scope of the Southern African Power Pool.

It also supports South African financial institutions' regional projects.

**encouraging
environmentally
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development**

Innovation against global warming

Durban and AFD have partnered to build a landfill gas-to-electricity plant. This innovative initiative was the first Clean Development Mechanism implemented in South Africa.

AFD provides technical assistance to the Central Energy Fund, a public agency which designs and funds sustainable energy projects.

AFD also supports the Centre for Carbon Capture and Storage which explores different solutions to store CO2 emissions underground.

Green local policies

AFD and its South African partners contribute to the mitigation of global warming by promoting sustainable energy policies and promoting a better energy mix.

AFD prioritises the protection of environment in all its infrastructure projects. Energy efficiency is, for instance, at the core of its approach to urban development.

It will make a credit facility of 100 million Euros available to the main South African banks to boost their investments in the Energy Efficiency sector. This initiative will facilitate the financing of small and medium size private green projects.

Biodiversity

In partnership with South African National Parks, AFD and the French Global Environment Fund (FFEM) support the Addo Elephant Park and the Table Mountain Park in their endeavours to protect natural resources and to foster the socio-economic development of local communities.