



# AFD AND India



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**23 projects**  
financed  
since 2008

**EUR 1.8 billion**  
of commitments  
in 10 years

**100%**  
of these projects have a  
positive impact on climate

A partner of India since 2008, AFD works in agreement with Indian authorities to promote green and inclusive growth. It operates through loans to state and public enterprises, as well as through technical assistance programs.

Our goal: To support sustainable urban development, energy transitions and ecological preservation in India through an integrated and innovative approach

#WorldInCommon



# OUR ACTION IN India

## 1 *Developing sustainable cities*

In India, the huge urban population growth poses a real challenge for cities. Efforts are underway to increase access to services like transportation, energy, housing, water and waste management.

**Sustainable mobility** is central to AFD's action in India. We are financing the construction of the metro lines in Bangalore, Kochi, Nagpur and Pune

By 2022, more than 3 million people are expected to be using these metro networks every day. Major impacts are expected in terms of public health, urban productivity and economic development.

**AFD also works towards sustainable use of water resources.**

To meet the ever-increasing demand for water and improve the quality of resources, we help:

- ▣ The city of Jodhpur to optimize its drinking water distribution network, with an approach that focuses on energy and water efficiency and on improving services for residents.
- ▣ The city of Pondicherry to increase the availability of drinking water, rationalise water distribution and prepare a master plan for water sanitation in line with best international standards.

## 2 *Speeding up the energy transition*

Energy demand is expected to double by 2035 in India, due to strong population and economic growth.

India has shown great commitment to **developing alternative energies**. AFD supports the country in diversifying its energy portfolio.

- ▣ We partner with the Indian Renewable Energy Development Agency (IREDA) to implement projects led by private developers in the fields of biomass, small-scale hydro, solar, and wind energy.
- ▣ AFD works with Himachal Pradesh Power Corporation Limited (HPPCL) to develop the state's clean energies with two run-of-river hydropower plants.

We also promote the **implementation of energy efficiency measures** with diverse partners.

- ▣ Through its green finance label SUNREF, AFD has helped many small and medium enterprises (SMEs) access finance through the public financial institution SIDBI to kick-start their energy efficiency projects.
- ▣ Through SUNREF, AFD also supports the National Housing Bank (NHB), to stimulate the dissemination of energy-saving and environmentally-friendly measures in the affordable housing sector.

- ▣ AFD supports the public energy service company Energy Efficiency Services Limited (EESL) to promote investments in energy-efficient street lighting.

## 3 *Bringing support to the Smart Cities Mission*

In 2015, the government of India launched the 'Smart Cities Mission', with an aim to drive economic growth and improve the quality of life for the people in 100 cities. As part of an approach based on sharing French expertise, we are helping the cities of Nagpur, Chandigarh and Pondicherry in the preparation and implementation of their smart city projects. The success of this technical assistance program has prompted AFD to put forth CITIIS, a support program at the national level to fund smart cities projects through a national challenge.

## 4 *Restoring forest ecosystems*

Owing to demographic pressure, development projects and overexploitation, India's vast forestry resources are now endangered and along them, the rich biodiversity they shelter. AFD is supporting the proactive policy of India and the state of Assam, which promotes a sustainable and participatory management of its forests.

In Assam, we bring financial and technical support for the reforestation of damaged forest areas, the preparation of forest management plans involving local communities, capacity building for the forest administration and skill development programs for forest-dependent communities.

## 5 *Sharing technical expertise*

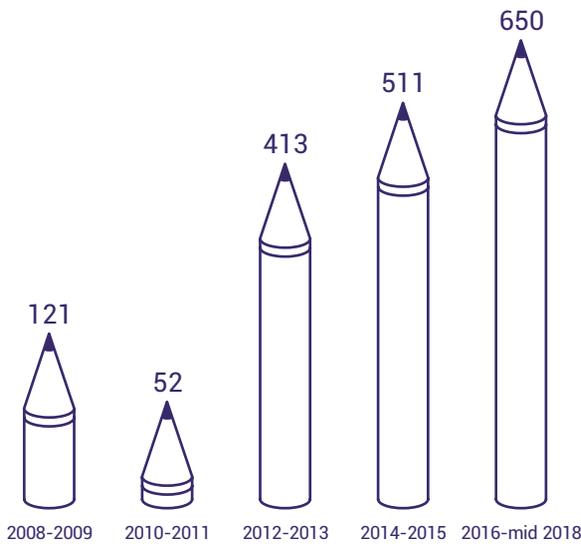
AFD meets demand for expertise from its Indian partners, in particular for mobility and urban services, but also for green energy, green housing and forest management. We work with public and private organizations and civil society representatives. For example, in Kochi, we have financed a technical cooperation program between the cities of Kochi and Lyon (France) on topics related to sustainable mobility. AFD benefits from a close partnership with the European Union for this purpose by mobilizing grants.

# OUR KEY FIGURES IN India

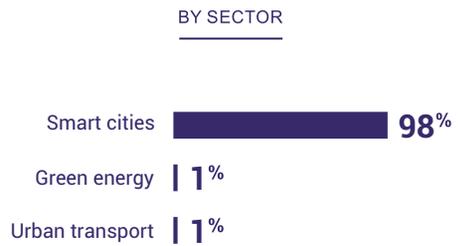


**23** Projects financed in 10 years

## Evolution of commitments since 2008 (in million EUROS)



## DISTRIBUTION OF COMMITMENTS IN 2017

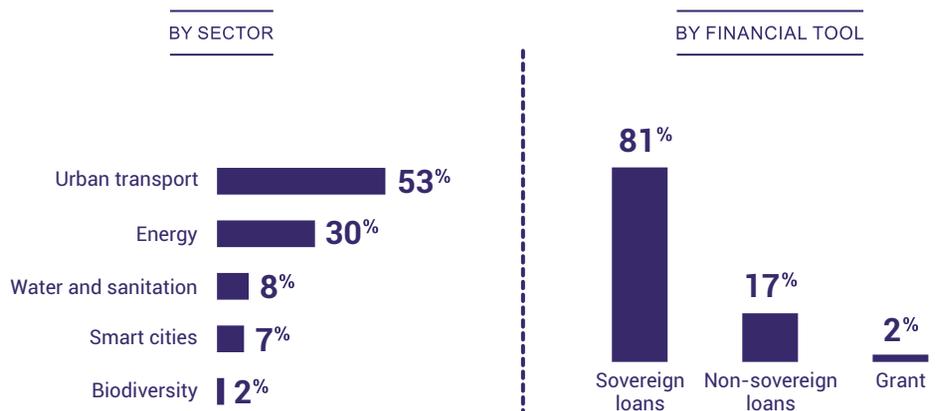


## Portfolio amount



**1.8**  
billion EUROS

## PORTFOLIO DISTRIBUTION



# INDIA

## Helping Kochi sustainably restructure its urban mobility



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**AFD supports the city of Kochi in the construction of a light metro and the restructuring of its urban mobility. An innovation-driven project that greatly contributes to transforming Kochi into a Smart City.**

### BACKGROUND

Kochi is the economic capital of Kerala. As with other major Indian cities, rapid urban and economic growth has led to an exponential increase in the number of personal vehicles. This has resulted in congestion and air pollution. The existing public transport was also saturated.

To enhance the quality of life of Kochi's residents and further increase the city's economic appeal, the public company Kochi Metro Rail Limited (KMRL) was set up to build an elevated railway corridor connecting the major parts of the city.

AFD has supported the project since its inception, mainly through financing. It has also facilitated a technical cooperation between KMRL, the French NGO Codatu, and the French city of Lyon's transport authority, on topics related to sustainable mobility.

In addition, Kochi is one of the three Indian cities to benefit from the MobiliseYourCity initiative, which supports local governments to plan sustainable urban mobility. Under MYC India, AFD has received technical assistance grant through the European Union's Asia Investment Facility (AIF).

### DESCRIPTION

The first phase of the project led to the construction of a light metro with a 25.6 km-long viaduct route, including 22 stations. Today, 18 km are already operational.

In 2016, AFD provided a second funding for the extension of the network and its integration into the urban landscape through the development of open spaces, walkways and cycle-tracks.

Kochi's network is unique in many ways, including how it has empowered women, the pace with which the project was implemented, as well as the cost savings, green initiatives and digital solutions it incorporates.

KMRL has worked continuously to seamlessly connect the metro to other modes of transport in the city, thereby completely transforming mobility in the city.

In the near future, users will be able to use a single ticket for their entire trip in the city, making their travelling even more efficient.

### IMPACTS

- ➔ By 2022, nearly 500,000 people are expected to use the metro every day.
- ➔ Kochi metro has hired an impressive 774 women. Of these, 600 women come from poor families of Kerala.
- ➔ By opening up the growing economic centres, the economic attractiveness of the city will grow.

#### Country

India



#### Location

Kochi



#### Sectors

Infrastructures, Sustainable cities



#### Financing tool

Sovereign concessional loan



#### Amount financing

360M€

#### Funding duration

5 Years

#### Beneficiaries

Kochi Metro Rail Limited



#### Project start date

07/02/2014

# INDIA

## Combating climate change through the promotion of renewables



AFD has partnered with the public Indian bank IREDA to finance the production of electricity from renewable resources.

### BACKGROUND

Accounting for strong economic and demographic growth, the country's energy needs are expected to double by 2035. In addition, the high proportion of fossil fuels in the national energy balance is increasingly contributing to climate change.

These energy trends pose an environmental threat. Indeed, India has become the world's third largest greenhouse gas-emitter, and has one of the highest emission growth rates in the world.

In order to achieve energy security and to develop a low carbon economy, India has decided to capitalize on its strong renewable energy potential, with the aim of reaching 40% of its power generation capacity through non-fossil resources by 2030.

### DESCRIPTION

IREDA (Indian Renewable Energy Development Agency) is a public financial institution set up by the government of India to promote renewable energy development and energy efficiency projects.

In order to assist the institution in achieving its goals, AFD has provided IREDA with financial and technical support.

The first funding awarded to IREDA in 2010 resulted in the implementation of eleven projects led by independent energy producers, ranging from biomass to small-scale hydroelectricity, wind farms, and solar photovoltaic projects.

This success has led AFD and IREDA to renew and extend the scope of their cooperation. In 2013, AFD allocated a new credit line to IREDA, with a focus on the development of solar power plants. A technical assistance programme has been implemented together with this line.

### IMPACTS

- ➔ Diversification of the energy mix and reduction of greenhouse gas emissions through the development of 19 renewable energy projects
- ➔ Developing access to cheap and climate-friendly energy for the population
- ➔ Creation of new employment opportunities
- ➔ Strengthened management of IREDA's operations

	<b>Country</b>
	India
	<b>Location</b>
	New Delhi
	<b>Sectors</b>
	Energy, Climate
	<b>Financing tool</b>
	Green credit lines
	<b>Amount financing</b>
	170M€
	<b>Funding duration</b>
	10 Years
	<b>Beneficiaries</b>
	IREDA
	<b>Project start date</b>
	10/12/2010

# INDIA

## Sustainable, innovative and participative urban development through CITIIS



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Under the Indian Government's Smart Cities Mission, the CITIIS program seeks to provide financial and technical support to projects focused on innovative urban development, selected through a national challenge.

### BACKGROUND

The Government of India launched its Smart Cities Mission (SCM) in response to the population explosion in Indian cities over the last few decades. This program aims to improve the quality of life of people living in urban areas by developing innovative and sustainable solutions for 100 Indian cities.

While local authorities are encouraged to develop a cross-cutting vision of urban development in consultation with citizens, a Special Purpose Vehicle positioned in each of these cities is responsible for the implementation of the projects.

### DESCRIPTION

Since January 2016, the AFD has been supporting the SCM by providing technical assistance to the cities of Pondicherry, Nagpur and Chandigarh. Following the success of this project, the Government of India has commissioned the AFD to conceptualize and implement an innovative programme to support the SCM at the national level.

The CITIIS (City Investments to Innovate, Integrate and Sustain) programme, co-developed by the AFD, the National Institute for Urban Affairs (NIUA), and the Ministry of Housing and Urban Affairs (MoHUA) provides technical and financial support to around 15 Smart City projects. Selected following a national challenge, these projects will focus on the themes of sustainable mobility, public open spaces, urban e-governance, and social innovation for low-income settlements.

Financial support for the project has been possible through a sovereign loan from the AFD to the Government of India signed in March 2018 in the presence of the Prime Minister of India, Narendra Modi, and the President of France, Emmanuel Macron. A 6 million Euro grant from the European Union together with a 1 million Euro grant from the Government of France enables this project to mobilise the required expertise.

### IMPACTS

Once selected, the winning projects will benefit from additional financial support in the form of a grant as well as from technical expertise specifically tailored to the needs of the project.

#### Country

India



#### Location

Indian Smart Cities



#### Sectors

Sustainable cities, urban development



#### Financing tool

AFD Sovereign concessional loan, European Union and Government of France grants



#### Amount financing

107M€

#### Funding duration

5 Years

#### Beneficiaries

Government of India

#### Financial Partners

European Union (6M€ grant), Government of France (1M€ grant)



#### Project start date

July 2018



Co-funded by the European Union

# INDIA

## Restoring forest ecosystems with the residents of Assam



**AFD supports sustainable and participatory management of forest ecosystems in Assam, while developing the economic resources of the populations.**

### BACKGROUND

With 35 per cent of its landmass covered with forests, five national parks and 18 wildlife sanctuaries, Assam, in North East India, is a haven for a unique variety of flora and fauna. Over the years, however, forest lands began to shrink under demographic pressure, development projects, and overexploitation. Gradually, it started to affect the overall ecology of the region.

As a mitigation measure, the Assam government, with the support of AFD, launched the Assam Forest and Biodiversity Conservation Project in 2012, to restore forest ecosystems, protect wildlife and enhance the livelihood of the forest-dependent communities.

Active participation of all stakeholders is the key element of the project. AFD assists the State of Assam through financial and technical support.

### DESCRIPTION

The project aims to:

- Build the capacity for the forest administration: overhaul of the existing infrastructure and procurement of new equipment and vehicles, training and introduction of new work methods
- Draw up concerted plans for forest management and protected areas with the local village committees
- Develop alternative livelihood for forest-dependent communities through skill development programmes. Through regular consultations with the NGO Compello, the village communities decide which of the 15 proposed trades would best suit their needs
- Exchange programs with the French National Forest Office (ONF) and an expertise partnership with the French Institute of Pondichéry have also been organised.

### IMPACTS

- ➔ Massive reforestation efforts have been undertaken: more than 21,000 hectares of land have been reforested with help from villagers' committees.
- ➔ The efforts in capacity building of forest guards have contributed towards increasing the park's one-horned rhinoceros population to an impressive 2,400.
- ➔ New nurseries have been developed and wetlands and grasslands have also been restored.
- ➔ 4,500 people have been trained in 15 different trades, helping to revive the local economy while protecting forest resources.

#### Country

India



#### Location

Assam



#### Sectors

Forests and biodiversity, Climate



#### Financing tool

Concessionnal sovereign loan



#### Amount financing

30M€

#### Funding duration

5 Years

#### Beneficiaries

State of Assam



#### Project start date

22/02/2012

**AFD is an inclusive public financial institution and the main actor in France's development policy. It makes commitments to projects that genuinely improve the everyday lives of people, in developing and emerging countries and in the French overseas territories.**

**AFD works in many sectors – energy, health, biodiversity, water, digital technologies, training – and supports the transition to a safer, more equitable and more sustainable world: a world in common. Its action is fully in line with the Sustainable Development Goals (SDGs).**

**Through its network of 85 agencies, AFD operates in 109 countries and is currently supporting over 3,500 development projects. In 2017, it earmarked EUR 10.4bn to finance these projects.**

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