Early Warning System

AIIB-000258

Egypt: National Bank of Egypt On-Lending Facility for Infrastructure

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Quick Facts

Countries	Egypt
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2019-12-12
Borrower	National Bank of Egypt
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 150.00 million
Loan Amount (USD)	$ 150.00 million

Project Description

According to bank documents, the objective is to enhance the growth in investments into infrastructure in Egypt.

The transaction is an on-lending facility to the National Bank of Egypt (NBE). AIIB will provide NBE with a loan of USD150 million for on-lending to sub-projects in the infrastructure sector. NBE is wholly owned by the Ministry of Finance of Egypt and is the largest commercial bank in Egypt by asset size, gross loans and deposits. Depending on the pipeline, the financing has the potential to support AIIB's Energy Sector Strategy, Transport Sector Strategy, and Sustainable Cities Strategy. The funding also supports the Government of Egypt's initiatives to increase investments into infrastructure in the country.

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- National Bank of Egypt (Financial Intermediary)

Contact Information

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ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides “an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB’s failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.” Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html.

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html.

Bank Documents

- Project Summary (December 12, 2019) [Original Source]