

Early Warning System

AIIB-000692

Egypt: Egypt Sustainable Transport and Digital Infrastructure Guarantee

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Quick Facts

Countries	Egypt
Specific Location	Cairo, Alexandria
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	B
Voting Date	2023-09-22
Borrower	Government of Egypt
Sectors	Communications, Infrastructure, Transport
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 200.00 million

Project Description

As stated by the AIIB, the project consists of the mobilization of private capital to support Egypt's development of sustainable infrastructures in the areas of green transport and digital infrastructure through a Partial Debt Guarantee (PDG).
Egyptian government (GOE) is aiming to raise USD500 million equivalent CNY through a privately placed, three-year maturity, Sustainable-labeled bond by the end of 2023.
This guaranteed bond proceeds will enable Egypt to support four infrastructure projects in the transport and digital sector which are aligned with Paris Agreement carbon-emission reduction under Egypt's Sovereign Sustainable Financing Framework, namely:

- the financing of the expansion of the fiber connection for households (FTTH project);
- the rehabilitation of the tramway line 1 in Alexandria;
- the rehabilitation of Cairo Metro Line 1;
- the rehabilitation of Cairo Metro Line 2.

In addition, this Bond will diversify the GOE's sources of financing. Due to the specificities and regulation of the market for CNY-denominated bond by foreign issuers for (also known as Panda bond market), a PDG is needed so it reaches an investment-grade rating. AIIB and AFDB aim to jointly provide a Partial Debt Guarantee for this Bond so it reaches this rating and successfully raise financing for the eligible sub-projects.

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

AFDB will provide a guarantee of up to USD345 million equivalent in CNY, including bond proceeds and any accrued but unpaid interest.

Contact Information

AIIB Team Leader and Headquarters:

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Executing Agencies -

Alexandria Passenger Transportation Authority:

Complains form: http://www.alexapta.org/en/complains.php

Telecom Egypt:

Email: customer.care@te.eg
Phone: +20 (0) 1555000111
Website: https://www.te.eg/wps/portal/te/Personal/

ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.aiib.org/en/contact/information-request/index.html

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides Òan 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 AIIBÕs failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.Ó 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 Document (September 22, 2023) [Original Source]
- Project Summary (October 18, 2023) [Original Source]

Government Documents

- Sovereign Sustainable Financing Framework November 2022

Media

- AIIB, AfDB Guarantee Africa’s First Sustainable Panda Bond
- Egypt: African Development Bank approves $345 million in partial credit guarantees to bolster fundin

Other Related Projects

- EBRD-46875 Cairo Metro
- EBRD-48298 Cairo Metro Line 1 Modernisation
- EIB-20160125 ALEXANDRIA BLUE TRAM