Early Warning System

EBRD-52008

QNB Al Ahli - Solidarity Loan

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Quick Facts

Countries	Egypt
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2020-04-23
Borrower	QNB Alahli
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 100.00 million
Loan Amount (USD)	$ 100.00 million
Project Cost (USD)	$ 100.00 million

Project Description

According to bank provided information, this project was approved as part of the Bank's response to the COVID-19 pandemic. To avoid delays to the delivery of this project, the Bank's President granted a deviation from the ordinary timelines for PSD disclosure, as contemplated by Section V of the Directive on Access to Information. Details of the Bank's response to COVID-19, and this deviation, can be found on our website.

The investment is provision of a senior unsecured loan to QNB Alahli ("QNBAA") of up to USD 100 million, under the Bank's Resilience Framework ("RF"). Proceeds of the proposed loan will be on-lent to local private Small and Medium Enterprises ("SMEs"), and to Corporates to cover financing needs that may arise as a result of the Covid-19 outbreak.

The proceeds of the loan will help QNBAA in providing funding to local SMEs and Corporates experiencing either a decrease in their activity, turnover and/or profitability, in turn leading to delays in payments and potential defaults, or growing capacity needs due to a significant fluctuation in demand in particular sectors.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

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.

- QNB AlAhli Bank SAE (Financial Intermediary)

Private Actors Description

QNBAA is a commercial bank incorporated in Egypt. It is the fourth-largest Egyptian bank by asset size and the second largest private bank. The bank recorded assets of EUR 15.2bn with market shares of 4.7%, 8.1% and 4.9% by assets, loans and deposits, respectively, as of YE2019. It is 94.97% controlled by Qatar National Bank QPSC (Qatar).

Contact Information

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ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent. You can contact the PCM at pcm@ebrd.com or you can submit a complaint online using an online form, http://www.ebrd.com/eform/pcm/complaint_form?language=en. You can learn more about the PCM and how to file a complaint at http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html.