

 Early Warning System

EBRD-54872

AAIB sustainability bond



Quick Facts

Countries	Egypt
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2024-06-12
Borrower	Arab African International Bank S.A.E.
Sectors	Finance
Investment Type(s)	Fund
Investment Amount (USD)	\$ 100.00 million
Project Cost (USD)	\$ 499.00 million



Project Description

According to bank-provided information, the project involves the provision of up to USD 100m (EUR 90m) investment in the first issue of a senior unsecured sustainability bond programme, issued via private placement by Arab African International Bank S.A.E. ("AAIB") for a total of up to USD 499m (EUR 450m).

The investment is in the first sustainability bond ever issued in Egypt, supporting both green and social sub-projects. The issuance is governed by the Sustainability Bond Framework of AAIB, which is developed in line with relevant guidelines from the International Capital Markets Association (ICMA). The project contributes to the development of the Egyptian capital market while supporting AAIB's resilience by improving asset-liability composition and supporting AAIB's transition towards a more sustainable business model. Furthermore, the project is expected to set standards for green and social bond issuances in Egypt and should facilitate and increase capital flow towards green and social assets.

A technical cooperation package funded by Luxembourg was delivered to support AAIB with project preparation and implementation.



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.

- [Arab African International Bank](#) (Financial Intermediary)



Private Actors Description

Arab African International Bank S.A.E. ("AAIB"), a commercial bank incorporated in Egypt and owned by the Central Bank of Egypt and the Kuwait Investment Authority (each holding a 49.4% stake). With an asset base of ca. USD 17.5bn as at YE2023, AAIB is the 5th largest bank in the country.



Contact Information

Marwa El Bakary, Head of FI & CBR

complain@aaib.com

(+202) 19555

<https://www.aaib.com/>

5 Midan El Saray El Koubra Garden City Cairo, Egypt

ACCESS TO INFORMATION

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<https://www.ebrd.com/eform/information-request>

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 at:

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>