Early Warning System

EBRD-55034

FIF - Arab Investment Bank - Agri loan

Quick Facts

Countries	Egypt
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2023-12-13
Borrower	Arab Investment Bank of Egypt
Sectors	Agriculture and Forestry, Finance
Investment Type(s)	Advisory Services, Guarantee, Loan
Investment Amount (USD)	$ 10.00 million
Loan Amount (USD)	$ 10.00 million
Project Cost (USD)	$ 10.00 million

Project Description

As stated by the EBRD, the project consists of the provision of a senior unsecured loan to Arab Investment Bank (aiBANK) of up to USD 10 million under the Financial Intermediaries Framework for on-lending to eligible local private micro, small and medium-sized enterprises (MSMEs) operating across the agribusiness sector.

The project will enable aiBANK to (i) increase the amount of financing available to eligible Egyptian private MSMEs operating across the agribusiness sector, including primary agriculture, agri equipment, logistics, service providers, agri processing and agri wholesalers and retailers and (ii) introduce climate-resilient investments and sustainable practices.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

As stated by the EBRD, the project offers a combination of (i) long-term financing, (ii) guarantee in the form of a first-loss risk cover for the benefit of aiBANK and (iii) tailored technical assistance into a comprehensive package supporting the underserved private Egyptian MSMEs operating across the agriculture sector and introducing climate-resilient investments and sustainable practices.

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 Investment Bank of Egypt (Financial Intermediary) **is owned by** EFG Holding S.A.E. (Parent Company)

Private Actors Description

As stated by the EBRD, aiBANK, a commercial bank incorporated in Egypt with total assets of ca. USD 1.9 billion as of end-June 2023. aiBANK is owned by EFG Holding (51%), an-EGX listed Egyptian investment banking firm, the Sovereign Fund of Egypt (25%) and the National Investment Bank (24%).

Contact Information

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form: 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