

 Early Warning System

EBRD-56024

Subordinated loan - Bank Al Etihad



Quick Facts

Countries	Jordan
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2025-03-26
Borrower	Bank Al Etihad
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 30.00 million
Project Cost (USD)	\$ 30.00 million



Project Description

According to bank provided information, the investment involves the provision of a subordinated loan of USD 30 million in JOD equivalent to Bank Al Etihad ("BAE"). The loan will help strengthen BAE's Tier II capital to support growth plans and optimize capital structure. Proceeds of the loan will be used to finance eligible green and social sub-projects.

The subordinated loan will enhance BAE's capital base, supporting its planned growth and the financing of; i) eligible green sub-projects (60% of the proceeds), and ii) on-lending to women and youth-led MSMEs, as well as MSMEs in underdeveloped and financially underserved regions (40% of the proceeds).



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.

- [Bank Al Etihad](#) (Financial Intermediary)



Private Actors Description

Bank al Etihad was incorporated in 1978 and has since grown to become one of the leading banking groups in Jordan. BAE is the third largest bank in Jordan by total assets.



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>