

 Early Warning System

IFC-48908

DCM Arab African International Bank



Quick Facts

Countries	Egypt
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-05-29
Borrower	ARAB AFRICAN INTERNATIONAL BANK
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 300.00 million



Project Description

According to the Bank's website, the proposed project involves an IFC investment of a 5-year senior sustainability bond of up to (i) US\$300 million in Arab African international Bank's (AAIB or the Bank) US\$500 million sustainability bond program, to support the Bank's expansion of green and sustainable related projects (the Project), and (ii) up to \$50 million uncommitted trade finance facility under the Global Trade Finance Program ("GTFP"). In addition, it is expected to be supported by the IFC-BMWK Scale up Climate Finance through Greening the Financial Sector (BMWK) Program as described in the Blended Finance Section.



Early Warning System Project Analysis

The Project is an investment in AAIB's Sustainability Bond issuance. Proceeds from the issuance will support eligible green assets, and MSMEs. The Project will not support Excluded Activities, coal-related activities, mining, oil and gas, or any other Higher-Risk activities that may include: (a) involuntary resettlement; (b) potential adverse impacts on Indigenous Peoples; (c) significant risks to or impacts on the environment, community health and safety, biodiversity, cultural heritage; (d) risk of significant retrenchment or (e) significant occupational health and safety risks.

The main E&S risks of the Project relate to the Bank's capacity to correctly implement its newly established ESMS to manage the E&S risks associated with the sub-projects supported through the Project proceeds. Overall, the E&S risk associated with the asset class to be supported by IFC is considered medium, and likely to entail medium adverse E&S risks and impacts that are few, generally site-specific, largely reversible and can be readily addressed through mitigation measures. The Project has therefore been categorized as FI-2 according to IFC's Sustainability Policy.



Investment Description

- International Finance Corporation (IFC)

The proposed project involves a 5-year senior sustainability bond of up to US\$300 million to support AAIB's expansion of green and sustainable related projects.

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

The Bank is owned by the Central Bank of Egypt and the Kuwait Investment Authority (49.37% each).

AAIB was established by a special law in 1964 which has since evolved into a fully-fledged regional banking institution. It is the third largest private sector bank in Egypt with a solid corporate, retail, and SME franchise. The Bank serves its customers through more than 650 thousand clients and a network of 99 branches, 507 ATMs and e-banking services, with presence in United Arab Emirates and one branch in Lebanon.



Contact Information

Arab African International Bank Egypt

Marwa El Bakary

Head of Financial Institutions

+201227376461

mbakary@aaib.com

5 Midan El Saray El Koubra - Garden City - Cairo - Egypt

<https://aaib.com/>

ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>