

 Early Warning System

IFC-52145

RSF Habib Metro



Quick Facts

Countries	Pakistan
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-12-22
Borrower	Habib Metropolitan Bank
Sectors	Finance, Industry and Trade
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 40.00 million
Project Cost (USD)	\$ 80.00 million



Project Description

According to the Bank's website, the proposed project is a 50:50 unfunded Risk Sharing Facility ("RSF") on an aggregate portfolio of up to US\$80 million in equivalent Pakistani Rupees ("PKR") (including up to US\$40 million in equivalent PKR for IFC's own account) with Habib Metropolitan Bank Limited ("HMBL"), an existing IFC client, to support HMBL's ambition to enhance on-lending to SMEs across Pakistan. The total proposed tenor is up to 6 years, consisting of a 3-year ramp-up, and a clean-up period of 3 years starting after the ramp-up period.



Early Warning System Project Analysis

The E&S risk of the proposed investment is considered medium, and the Project is categorized as FI-2 according to IFC's Policy on Environmental and Social Sustainability.

The Project is an unfunded Risk Sharing Facility (RSF) for Habib Metropolitan Bank Limited (HMBL or Bank) in Pakistan. Historically, the Bank has focused mostly on working capital and trade finance with the intent to further expand its SME financing. Within the SME segment, a large portion of its exposure is in short-term wholesale and trade finance. The Bank has limited exposure to companies operating in high-risk environmental and social (E&S) sectors such as power generation, transmission, telecom, hospitality, and large-scale construction. The IFC RSF will be used exclusively for supporting SMEs in agriculture, followed by textiles, machinery, small scale chemicals and services. Most of these sectors pose low to medium E&S risks and potential impacts.



Investment Description

- International Finance Corporation (IFC)

This is an RSF for up to US\$80 million in local currency (including IFC's own account of up to US\$40 million). The project is part of IFC's Small Loan Guarantee Program ("SLGP") which provides risk sharing instruments to client banks looking to expand SME lending in difficult markets. SLGP is supported by the IDA18 IFC-MIGA Private Sector Window's Blended Finance Facility (PSW-BFF), which was created by the World Bank Group to catalyze private sector investment in IDA countries, with a focus on fragile and conflict-affected states.

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.

- [Habib Metropolitan Bank Limited](#) (Financial Intermediary)



Private Actors Description

Habib Metropolitan Bank Limited (HMBL) was incorporated in Pakistan in August 1992 as a public limited company and commenced its banking operations from October 1992. Its shares are listed on the Pakistan Stock Exchange. It is a 51% owned subsidiary of Habib Bank AG Zurich (“HBZ”), an international banking group established in Switzerland in 1967 with a presence in 10 countries across 4 continents. Other than HBZ, no other shareholder owns 5% or above. As of June 2025, HBZ had an asset base of US\$14.6 billion, deposits of US\$10.9 billion and an equity base of over US\$1.7 billion.



Contact Information

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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>