

 Early Warning System

MIGA-15671

Al Ahli Bank of Kuwait Egypt - Capital Optimization



## Quick Facts

Countries	Egypt
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	B
Voting Date	2025-12-23
Borrower	Al Ahli Bank of Kuwait
Sectors	Finance
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 316.00 million



### Project Description

According to the Bank's website, this summary covers equity investments by Al Ahli Bank of Kuwait (ABK), in its subsidiary in Egypt, Al Ahli Bank of Kuwait - Egypt S.A.E (ABK-Egypt or the Subsidiary). The investor has applied for a MIGA guarantee of up to USD316 million for capital optimization cover for a period of up to 3 years.

The aim of MIGA's proposed guarantees is to help ABK reduce the assessed risk of its reserves held at the Central Bank of Egypt (CBE), which would lead to a reduction in the group's risk-weighted assets (RWA) on a consolidated basis. The RWA capacity that is freed up is expected to be deployed by ABK in Egypt, as possible, where the lending gap is large and credit to the private sector is low. The Project would support lending operations either through an accelerated pace of leveraging (i.e. expansion of loans to customers) or a slowdown in the pace of deleveraging (i.e. retention of loans to customers), according to market conditions and ABK risk policies prevailing at that time. The proposed Project is therefore expected to increase on a best effort basis access to finance for private sector firms, including MSMEs, operating in Egypt, while encouraging climate-related lending consistent with ABK-Egypt's strategy.



## Early Warning System Project Analysis

ABK-Egypt provides financial products and services to individuals, micro, small and medium enterprises (MSMEs), and corporate customers in Egypt. The MIGA guarantee will support lending for retail clients, MSMEs and climate finance. These transactions typically have limited environmental and social (E&S) risks and impacts that are few in number, site-specific, largely reversible and can be readily addressed through mitigation sectors. Transactions with significant adverse risks and impacts are expected to be limited in number. This project has thus been categorized as FI-2 in accordance with MIGA's Policy on Environmental and Social Sustainability (2013).

The main E&S aspects of this project relate to ABK-Egypt's ability to identify, assess, and manage the E&S risks and impacts associated with its lending activities and the management of labor and working conditions at the bank. MIGA analyzed ABK-Egypt's portfolio for types of transactions, tenors, sectors, and exposure to MIGA's Exclusion List. In addition, MIGA assessed ABK-Egypt's E&S risk management procedures for lending activities against the requirements of Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts (PS1), and the bank's labor policies and procedures against the requirements of Performance Standard 2: Labor and Working Conditions (PS2).

As of December 2025, ABK-Egypt's portfolio included the following business segments: corporate loans including MSME (predominantly short-term), 56.5%; retail/consumer loans, 28%; trade finance, 15.5%; . The sectors financed include construction; finance and insurance (non-banking financial institutions and microfinance institutions); wholesale and retail; real estate and rental services; oil and gas and mining; and manufacturing (including pharmaceuticals; fertilizers; plastics and chemicals; food and beverages; and electronics and appliances). ABK-Egypt has minimal exposure to activities on the MIGA Exclusion List and no exposure to coal-related projects. The bank has exposure to oil and gas activities; oil and gas activities will be excluded from the MIGA project.



## Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

A MIGA guarantee of up to USD316 million for capital optimization cover for a period of up to 3 years.



### Private Actors Description

Headquartered in Kuwait, *Al Ahli Bank of Kuwait - ABK* was established in 1967 to support the country's growing commercial and industrial sectors. ABK is publicly listed on the Kuwait City Stock Exchange and the largest shareholder is the Public Institution for Social Security (Public Pension Fund of Kuwait) holding 11.7% of shares, followed by the Kuwait Investment Authority holding 10.1%.

The Group's strategy is anchored on four pillars: (i) improving operational efficiencies, (ii) strengthening the core banking franchise, (iii) accelerating digitization to drive customer centricity, and (iv) regional diversification as a key enabler for sustainable growth. ABK is committed to sustainable growth through its alignment with the globally recognized frameworks such as the UNEP FI Principles for Responsible Banking, UN Sustainable Development Goals, New Kuwait Vision 2035, Abu Dhabi Economic Vision 2030, and Egypt Vision 2030. ABK Kuwait holds ratings of A- (Fitch), A2 (Moody's), and A+ with Stable outlooks

*ABK-Egypt*, a subsidiary of the Group, was established in 2015 after ABK acquired 99% of Piraeus Bank Egypt's capital. At present, ABK-Egypt serves more than 660,000 customers through 46 branches and over 2,000 employees. ABK-Egypt offers services split evenly across the Corporate Banking & Syndications unit and Consumer Banking units.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Al Ahli Bank of Kuwait K.S.C.P.	Client	-
-	-	-	-	Al Ahli Bank of Kuwait – Egypt S.A.E	Subsidiary	-



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## Contact Information

*No contacts available at the time of disclosure.*

### ACCESS TO INFORMATION

You can submit a request for information disclosure at: [https://www.miga.org/contact/access\\_to\\_information](https://www.miga.org/contact/access_to_information)

You can also request general information about MIGA and for information on guarantees by emailing:  
[migainquiry@worldbank.org](mailto:migainquiry@worldbank.org)

### 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](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>