Early Warning System

EBRD-47499

Egypt SEFF - NBK Egypt

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Quick Facts

Countries	Egypt
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2016-10-04
Borrower	National Bank of Kuwait-Egypt
Sectors	Energy, Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 20.00 million
Loan Amount (USD)	$ 20.00 million
Project Cost (USD)	$ 40.00 million

Project Description

As stated by the EBRD, the project consists of a loan to National Bank of Kuwait-Egypt ("NBKE") for up to USD 40 million under Egypt Sustainable Energy Financing Facility Framework ("EgyptSEFF"), out of which up USD 20 million is expected to be co-financed by Agence Francaise de Developpement ("AFD") under the same conditions. The project has been developed under the EBRD Green Economy Transition ("GET") approach to scale up green financing. The operation will enable NBKE to support on-lending to private sub-borrowers for EE and RE projects, which are of particular relevance in the context of high energy intensity of the Egyptian economy. It is expected to be the first project under EgyptSEFF and follows a pilot project with National Bank of Egypt.

EgyptSEFF is a comprehensive financing facility programme in the amount of up to EUR 140 million for sustainable energy investments. The funds will be made available to Participating Financial Institutions ("PFIs") in Egypt for on-lending to eligible private sector sub-borrowers for sustainable energy investments. The facility will promote penetration of energy efficient ("EE") and renewable energy ("RE") technologies, appliances and equipment in Egypt through stimulating demand and raising awareness of the benefits of investments in such technologies.

Early Warning System Project Analysis

The EBRD categorized the project risk as 'FI'.

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.

- National Bank of Kuwait - Egypt (S.A.E) (Financial Intermediary) **is owned by** National Bank of Kuwait (NBK Group) (Parent Company)

Private Actors Description

As stated by the EBRD, re-branded as NBK-Egypt in 2014, Al Watany Bank of Egypt was founded in 1980 by several Egyptian businessmen. The bank was acquired in 2007 by National Bank of Kuwait. NBKE is the 10th largest Egyptian bank by asset size and the sixth largest private bank. The bank has a market share of approximately 1.5% by assets at the end of 2015. It provides a wide range of corporate, retail and investment banking services in Egypt through its 41 branches. The bank is listed on the Cairo Stock Exchange. As of H12016, National Bank of Kuwait owns approximately 95%.

Contact Information

Accountability Mechanism of the 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, 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.