

Information Summary for the Public

Host Country:	Egypt
Name of Borrower:	Commercial International Bank
U.S. Sponsor:	Global Communities (formerly known as CHF)
Foreign Sponsor:	NA
Commitment Date:	August 31, 2017
Project Description:	OPIC will guaranty local currency loans by the Lenders to small and medium enterprises, microfinance institutions, non-banking financial institutions and other approved borrowers.
Total Project Cost:	About \$70,000,000
Proposed OPIC Loan:	\$50,000,000
Developmental Effects:	<p>This Project will have a positive developmental impact in Egypt by supporting local currency loans to SMEs and MFIs that lend to micro-borrowers in a variety of sectors. This Project is part of a loan guarantee facility in Egypt to spur growth in the SME sector, which, in this time of economic uncertainly, has limited access to capital. To support the success of this lending, CIB identifies areas of business needs at its client SMEs, and directs these companies to receive technical assistance subsidized under the Project. According to the EBRD, only about seven percent of SME working capital needs are funding through bank credit, and only six percent of all loans in Egypt's entire banking sector are issued to MSMEs. The Project aligns with UN Sustainable Development Goals, including #1 (No Poverty), and #8 (Decent Work and Economic Growth).</p>

<p>Environment:</p>	<p>Projects involving loans to banks for the purposes of SME on-lending are screened as Category C projects under OPIC’s environmental and social guidelines. Environmental, health, safety and social impact concerns are minimal. However, in order to insure that the Borrower’s loans are consistent with OPIC’s statutory and policy requirements, proceeds of the OPIC loan will be subject to conditions regarding use of proceeds. The Bank has a Sustainability Policy, grievance mechanism and integrates environmental and social risk analysis into its credit policies and procedures.</p>
<p>Human & Workers Rights</p>	<p>The Project will be required to operate in a manner consistent with the International Finance Corporation’s Performance Standards, OPIC’s Environmental and Social Policy Statement and applicable local laws. OPIC’s statutorily required language will be supplemented with provisions concerning non-discrimination and the timely payment of wages. Standard and supplemental contract language will be applied to all workers of the Project, including contracted workers.</p> <p>The Project has implemented a Social and Environmental Policy, which includes the process through which prospective SME and microfinance transactions are screened, assessed for risks, and monitored against its environmental and social standards, including prohibitions on forced and child labor. Investments in SMEs or other microfinance borrowers will be restricted with respect to the borrowers' operations, including the employment of minors and other applicable labor laws.</p>