



Survey on credit mobilized for the Sustainable Development Goals by Arab banks 2024

Pilot factsheet

E/ESCWA/CL5.SDGs/2025/Factsheet.1

Note: The findings presented in this pilot factsheet are based on an inaugural survey conducted to provide preliminary insights and indicative trends on credit mobilized for the SDGs in 2024 by banks in the Arab region. The results of this survey should be interpreted as exploratory and do not substitute for comprehensive institutional mechanisms by Arab banks to report on the SDGs. All responses were treated confidentially, and data were aggregated and anonymized to ensure the privacy of respondents. A detailed sample analysis is presented at the end of the factsheet.



Shared Prosperity Dignified Life



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The 2030 Agenda for Sustainable Development emphasizes the key role of financial institutions in advancing sustainable development and financing the Sustainable Development Goals (SDGs). Recognizing the importance of mobilizing financing for sustainability, and to better understand how banks in the Arab region are responding to the SDGs, the Union of Arab Banks (UAB), in close collaboration with the Economic and Social Commission for Western Asia (ESCWA), launched a survey on credit mobilized for the SDGs. The findings of the survey support efforts to track progress towards the [UAB commitment](#) to help mobilize \$1 trillion in SDG financing by 2030, as announced at the 2023 SDG Summit. The survey also aligns with the [Sevilla Commitment](#), adopted at the Fourth International Conference on Financing for Development, which reaffirmed the urgency of reforming the global financial architecture and mobilizing domestic investments to close the SDG financing gap.



1. Credit related to the SDGs

Reported SDG-related bank credit extended in 2024 to Governments or State-owned enterprises, large resident corporates, and micro, small and medium-sized enterprises totalled \$33.9 billion, representing 18 per cent of total loans by respondent banks.

- ✦ **The total SDG-related credit in 2024**, as reported by 22 of 30 banks, was **\$33.9 billion**. This amount was provided to Governments or State-owned enterprises, large resident corporates, and micro, small and medium-sized enterprises (MSMEs), representing **18 per cent** of total loans extended by respondent banks. Of this total, \$25.9 billion (76 per cent) was provided to Governments or State-owned enterprises, \$6.3 billion (19 per cent) to large resident corporates, and \$1.7 billion (5 per cent) to MSMEs.
- ✦ **Sustainability purposes that received the highest volume of credit:** the following four sustainability purposes received nearly 70 per cent (\$23 billion) of all credit provided to the SDGs (figure 1).
 - **Poverty eradication and social protection (SDG 1)**¹ ranked first, receiving \$11.2 billion (33 per cent) of total funding.
 - **Housing (SDG 11)** came in second, receiving \$6.4 billion (19 per cent).

1. The mention of a specific SDG indicates that the sustainability purpose generally aligns with that SDG, rather than represent its full scope.

- **Sustainable industry (SDG 9)** came in third, receiving \$2.7 billion (8 per cent).
 - **Sustainable tourism (SDGs 8 and 12)** came in fourth, receiving \$2.4 billion (7 per cent).
- ✦ **Sustainability purposes that received the lowest volume of credit:** the following four sustainability purposes received a combined 0.8 per cent (\$255 million) of all credit provided to the SDGs:
- **Peace, justice and strong institutions (SDG 16):** zero.
 - **Environment and biodiversity (SDGs 14 and 15):** \$56 million.
 - **Digital transformation (SDG 9):** \$64 million.
 - **Women's empowerment and gender equality (SDG 5):** \$135 million.

Figure 1. Credit by sustainability purpose, 2024 (Millions of dollars)



Source: ESCWA calculations based on data collected from the Union of Arab Banks, Survey on credit mobilized for the SDGs by Arab banks (2024).

2. Financial inclusion

Despite the presence of bank programmes for women-owned businesses and businesses owned by young people, credit uptake remains limited, signalling gaps in outreach or effectiveness.

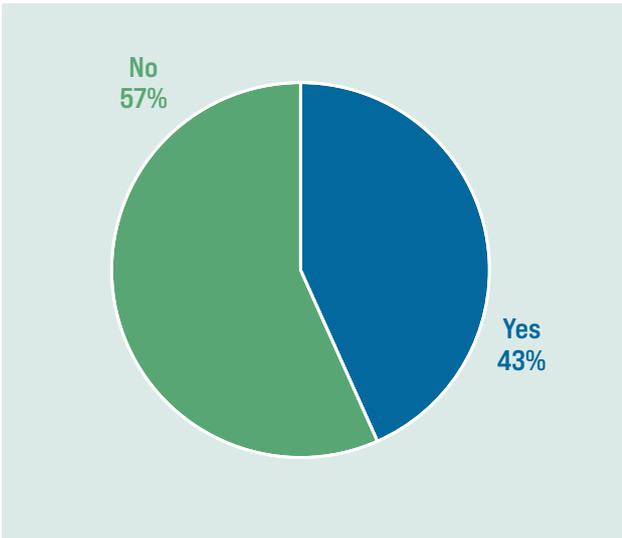
A. Gender

- ✦ **Programmes and credit extended to businesses owned by women:** 43 per cent of responding financial institutions reported that they had programmes targeting women-owned businesses (figure 2). This percentage, however, does not correlate with the actual credit extended to women-owned MSMEs. **Credit provided to women-owned MSMEs** stood at just 14 per cent of total credit provided to MSMEs, at a value of \$1 billion compared with \$6.1 billion that went to men-owned MSMEs (figure 3).

B. Young people

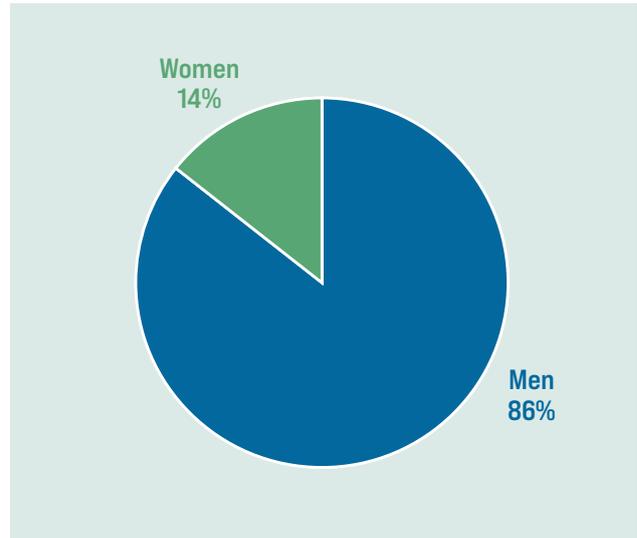
- ✦ **Programmes and credit extended to businesses owned by young people:** most respondent banks (87 per cent) reported having programmes targeting businesses owned by young people (figure 4). However, only 10 per cent of the outstanding resident MSME loan portfolio was reportedly given to businesses owned by young people (figure 5).

Figure 2. Does your bank have programmes targeting women-owned businesses? [Percentage]



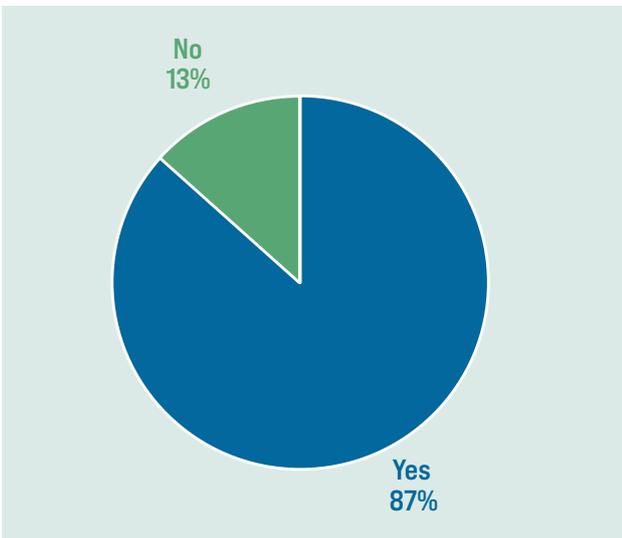
Source: ESCWA calculations based on data collected from the Union of Arab Banks, Survey on credit mobilized for the SDGs by Arab banks (2024).

Figure 3. Outstanding resident MSME loan portfolio by gender of recipient [Percentage]



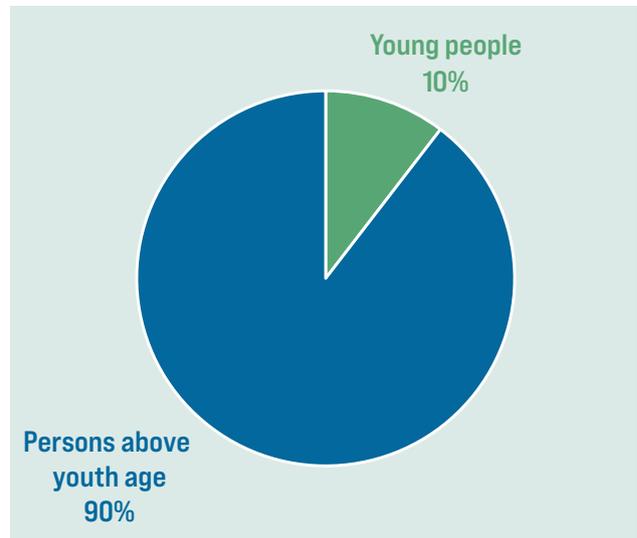
Source: ESCWA calculations based on data collected from the Union of Arab Banks, Survey on credit mobilized for the SDGs by Arab banks (2024).

Figure 4. Does your bank have programmes targeting businesses owned by young people? [Percentage]



Source: ESCWA calculations based on data collected from the Union of Arab Banks, Survey on credit mobilized for the SDGs by Arab banks (2024).

Figure 5. Outstanding resident MSME loan portfolio by age of recipient [Percentage]



Source: ESCWA calculations based on data collected from the Union of Arab Banks, Survey on credit mobilized for the SDGs by Arab banks (2024).



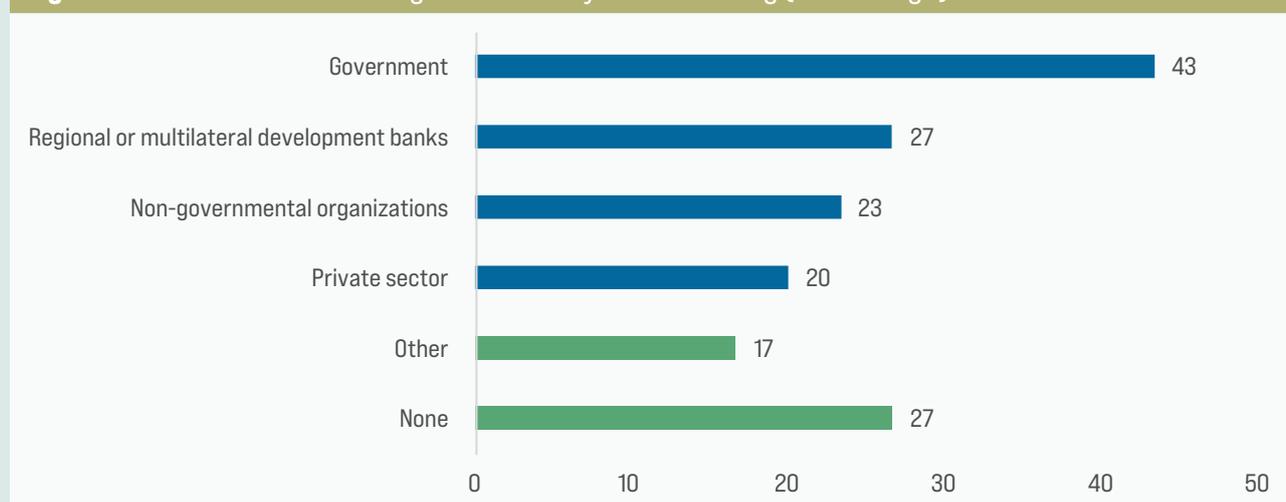
3. Partnerships to facilitate lending

The Government remains the main facilitator of sustainability-linked lending, supporting financial institutions through risk-sharing mechanisms.

Various stakeholders may collaborate with financial institutions to facilitate lending, especially to borrowers who could otherwise be seen as too risky or not profitable enough. This can be done through risk-sharing mechanisms, such as guarantees or co-financing. A total of **43 per cent** of financial institutions responding to the survey reported that the

Government had facilitated their sustainability-linked lending (figure 6), followed by regional or multilateral development banks (27 per cent), non-governmental organizations (23 per cent), and the private sector (20 per cent); while 27 per cent of respondents indicated having no partners in that regard.

Figure 6. Institutions facilitating sustainability-linked lending (Percentage)



Source: ESCWA calculations based on data collected from the Union of Arab Banks, Survey on credit mobilized for the SDGs by Arab banks (2024).

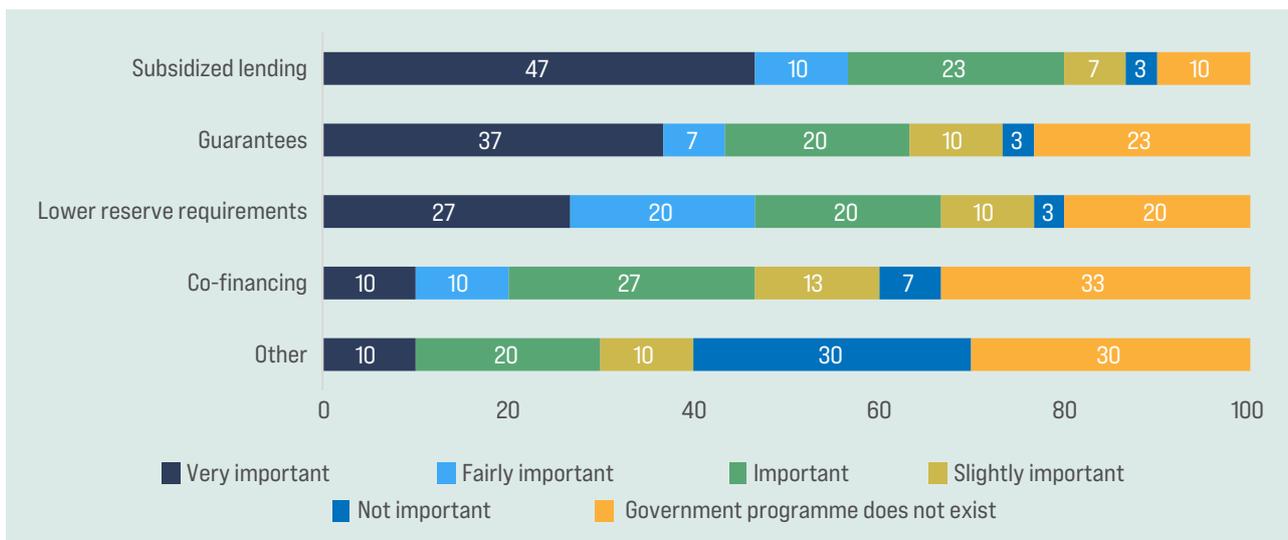
4. Government programmes for MSME lending

Government programmes play a crucial role in enabling lending to MSMEs, especially through subsidies and guarantees; however, support for co-financing remains limited.

- ✦ **Subsidized lending to MSMEs is strongly influenced by government programmes:** subsidized lending helps reduce the cost of borrowing for specific groups, such as MSMEs. Around 80 per cent of respondents considered government programmes at least “important” to supporting subsidized lending, and nearly half (47 per cent) rated them as “very important” (figure 7).
- ✦ **Guarantees and low reserve requirements are moderately influenced by government programmes:**

government guarantees, designed to reduce loan risks, were rated “very important” for deciding on lending to MSMEs by 37 per cent of respondents. In comparison, lower reserve requirements were considered “very important” by only 27 per cent.

- ✦ **Government support for co-financing faces gaps:** around a third of respondents reported that government support for co-financing programmes did not exist, indicating limited availability or awareness of such initiatives.

Figure 7. Importance of government programmes in banks' decisions to lend to MSMEs (Percentage)

Source: ESCWA calculations based on data collected from the Union of Arab Banks, Survey on credit mobilized for the SDGs by Arab banks (2024).



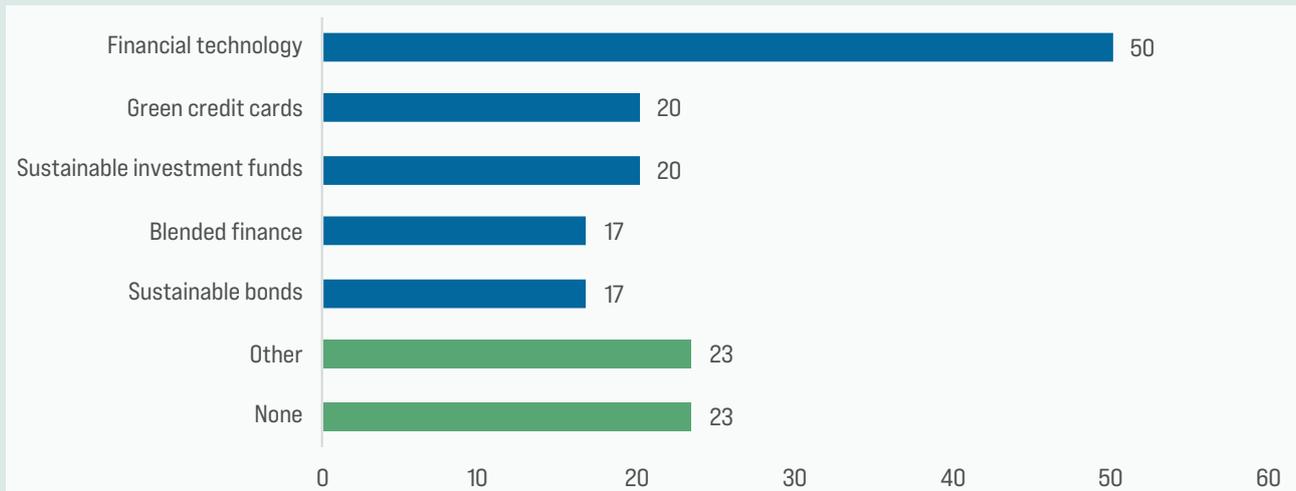
5. Sustainability-linked financial products and services

While financial technology is leading the way, the relatively low adoption of sustainability-related financial products and services underscores the need for broader engagement in sustainable finance.

- ✦ **Financial technologies are in the lead:** half of the respondents identified financial technology as the most offered sustainability-linked product, particularly with regard to reducing the cost of remittances (figure 8).
- ✦ **Moderate to low adoption of other financial products:** the remaining sustainable financial products show moderate to low adoption across

financial institutions. Green credit cards and sustainable investment funds are each offered by 20 per cent of respondents, while blended finance and sustainable bonds are each offered by 17 per cent of respondents. This may reflect a shared level of institutional prioritization and awareness across these product types, even though adoption remains limited.

- ✦ **Room for growth in sustainable finance:** nearly a quarter of respondents did not offer any sustainable financial products or services, highlighting room for growth and opportunities in sustainable finance.

Figure 8. Sustainable financial products or services offered (Percentage)

Source: ESCWA calculations based on data collected from the Union of Arab Banks, Survey on credit mobilized for the SDGs by Arab banks (2024).

Notes: (1) financial technology is applied to reduce transaction costs for remittances; (2) green credit cards offer cashback on purchases of sustainable brands (ecofriendly products or those that encourage local microenterprises), measure carbon footprints, contribute to reforestation, or similar; (3) sustainable investment funds include funds aligned with one or more SDGs, or funds that integrate criteria for measuring ESG factors; and (4) sustainable bonds include green bonds, social bonds, SDG bonds, or similar.

6. Sample analysis

The survey on credit mobilized for the SDGs by Arab banks was conducted by UAB, in collaboration with ESCWA, to assess the volume and nature of credit mobilized by financial institutions in support of the SDGs in the Arab region during the fiscal year 2024. It was circulated to UAB members, a total of 346 banks in Arab countries, and was open for responding from July 2024 to April 2025. It collected detailed data on loan portfolios across the public and private sectors, with a focus on sustainability-linked lending and financial inclusion of women, young people and MSMEs. The inaugural survey received responses from 30 financial institutions from nine Arab countries, namely **Bahrain, Egypt, Iraq, Jordan, Kuwait, Morocco, Oman, Saudi Arabia and Yemen**, representing 8.7 per cent of UAB membership. All responses were treated confidentially and used solely for analytical purposes.



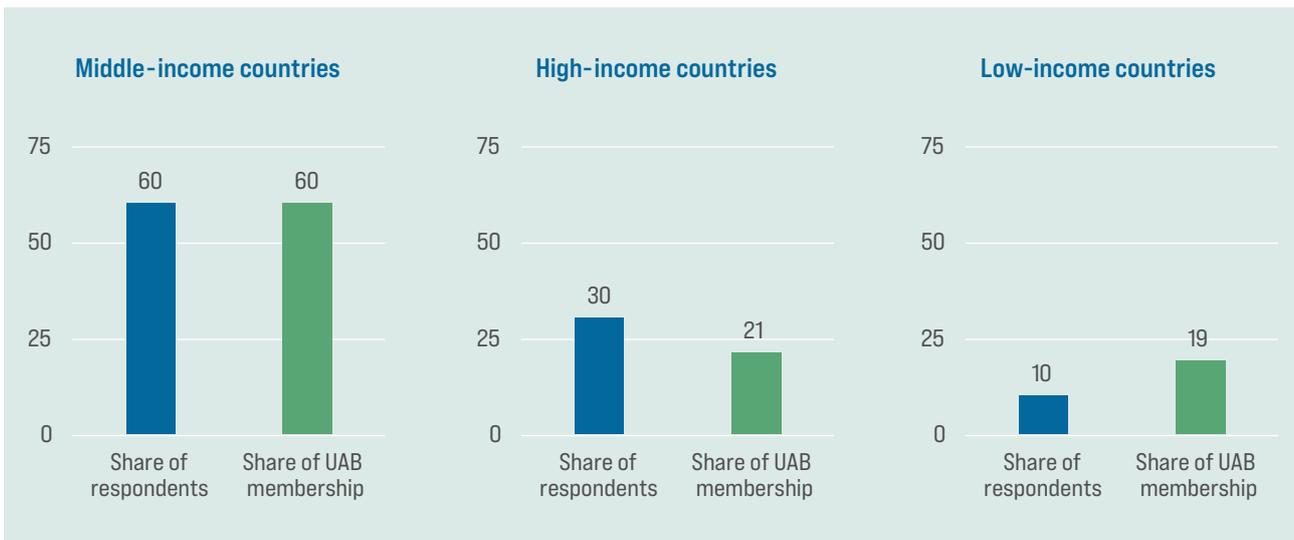
The representation by country income level reveals a disparity (figure 9):

Middle-income countries were accurately represented, matching their UAB membership at 60 per cent.

- High-income countries were over-represented, comprising 30 per cent of respondents but only 21 per cent of UAB members.
- Low-income countries were under-represented, with just 10 per cent of respondents despite making up 19 per cent of the UAB membership.

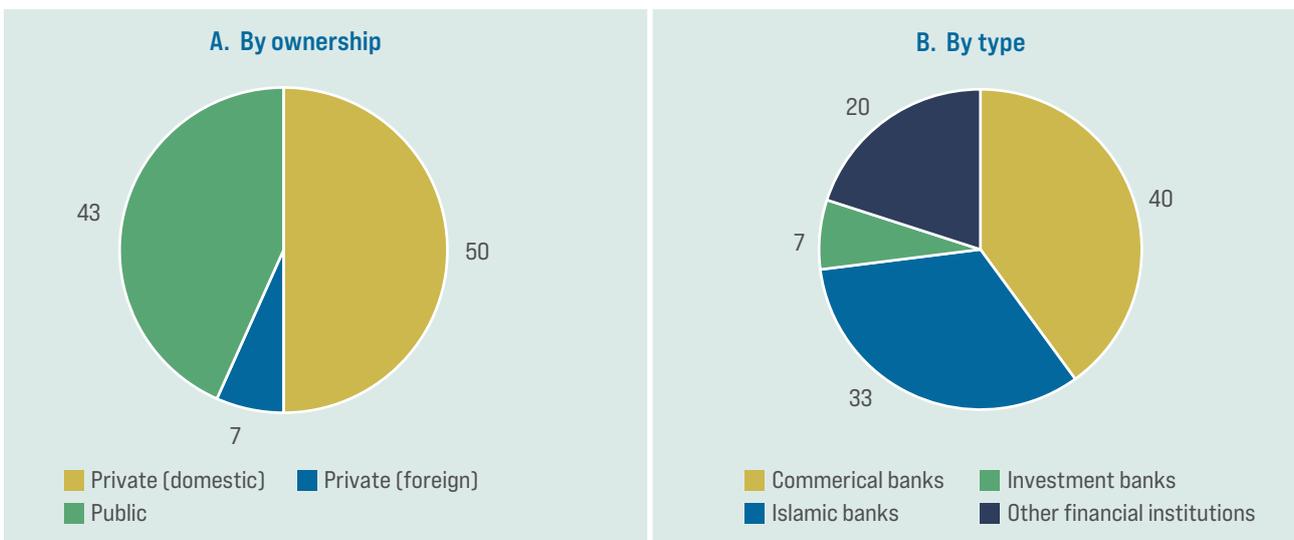
Half of the respondents reported being domestic private sector institutions, with public banks accounting for 43 per cent and private foreign institutions for 7 per cent of responses (figure 10.A). Regarding the type of institution, commercial banks accounted for 40 per cent of responses, followed by Islamic banks (33 per cent) and investment banks (7 per cent). Other reported types of institutions, including specialized banks, microfinance institutions and institutions combining more than one type of banking, were aggregated and accounted for 20 per cent of respondents (figure 10.B).

Figure 9. Survey coverage and UAB membership by country income group, 2024 (Percentage of survey respondents compared with percentage of UAB members)



Source: ESCWA calculations based on data collected from the Union of Arab Banks, Survey on credit mobilized for the SDGs by Arab banks (2024); and Union of Arab Banks, *UAB Members* (2025) (accessed on 29 July 2025).

Figure 10. Survey respondents by ownership and type, 2024 (Percentage)



Source: ESCWA calculations based on data collected from the Union of Arab Banks, Survey on credit mobilized for the SDGs by Arab banks (2024).



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VISION: ESCWA, an innovative catalyst for a stable, just and flourishing Arab region

MISSION: Committed to the 2030 Agenda, ESCWA's passionate team produces innovative knowledge, fosters regional consensus and delivers transformational policy advice. Together, we work for a sustainable future for all.

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