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CEB
COUNCIL OF EUROPE DEVELOPMENT BANK
BANQUE DE DEVELOPPEMENT DU CONSEIL DE L'EUROPE

Info

THE QUARTERLY MAGAZINE OF THE COUNCIL OF EUROPE DEVELOPMENT BANK #3 2021



Spotlight on...

The EU and CEB: Partnering for Inclusive Growth

Eco-Razeni *wins CEB Award for Social Cohesion*
p24

Dear reader,



Strategic partnerships are of vital importance to the CEB, not least because joining forces with others enables us to maximise the benefits of our work in support of social development across Europe.

This issue of CEB Info sheds light on our cooperation with our European partners, especially the EU, in social areas such as health, housing, education and employment. All of these have acquired renewed importance since the COVID-19 crisis, as they are a crucial part of concerted efforts to build back better.

The highlight of this issue is two contributions from European Commissioners sharing interesting insights on current affairs relating to the above areas: an op-ed by Mr Schmit, Commissioner for Jobs and Social Rights, and an interview with Mr Várhelyi, Commissioner for Neighbourhood and Enlargement.

You will also find concrete examples of the CEB's fruitful partnerships. For instance, you can read about the Western Balkans Investment Framework (WBIF), through which we improve living conditions in the region and fight against the brain-drain phenomenon; the Regional Housing Programme (RHP), which continues to deliver housing solutions to displaced persons in the Western Balkans whilst also fostering reconciliation through cooperation; and numerous EU-level initiatives, with the most recent the project HERO ("Housing and Empowerment of Roma"), which aims to facilitate access to housing and employment for vulnerable Roma families, in collaboration with the European Commission.

In health, we carry on with the hospital project in Kilis, Turkey, within the framework of the EU Facility for Refugees in Turkey (FRiT), while we have also opened a Project Office in capital Ankara to oversee more effectively our activities in support of healthcare infrastructure and services in the country.

Enjoy the read!



Rolf Wenzel
Governor, CEB

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Building homes. Rebuilding lives

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About the CEB...

Set up in 1956, the CEB (Council of Europe Development Bank) has 42 member states. As a major instrument of the policy of solidarity in Europe, the Bank finances social projects by making available resources raised in conditions reflecting the quality of its rating. It thus grants loans to its member states, to financial institutions and to local authorities for the financing of projects in the social sector, in accordance with its Articles of Agreement.

The CEB in Ambassadors' words

To mark the CEB's 65th anniversary we asked member state representatives on the Bank's Governing Board, who are also Ambassadors and representatives of their respective countries to the Council of Europe, to offer their thoughts on the benefits of CEB membership, how the Bank has supported their countries, and to suggest areas for the Bank to focus on in the future. The full interviews can be found online.

"For a small country like Andorra, it is not always easy to get financial aid or loans in the international market. The possibility to get very low interest, very long tenure loans from the CEB was very appealing. We only joined the Bank in late May 2020 but Andorra already has a specific loan to use to fund the immediate consequences of the COVID-19 health emergency, and we are currently working on a new project."
Joan Forner Rovira, Ambassador Extraordinary and Plenipotentiary, Permanent Representative of the Principality of Andorra to the Council of Europe





"The CEB has provided funding to Albania to support investments in social housing, health, rural and urban regeneration and sustainable tourism, having a real impact in these areas. After the devastating earthquake in November 2019, the Bank was one of the first financial institutions to visit Albania and the grant given by the CEB was used to redesign many damaged schools and kindergartens."
Albana Dautllari, Ambassador Extraordinary and Plenipotentiary, Permanent Representative of Albania to the Council of Europe, Vice-Chairperson of the Bank's Governing Board



Serbia is one of the target countries of the CEB, and strong cooperation with the Bank is enabling the implementation of important projects in education, health, environmental protection and energy efficiency. Ongoing CEB investments amount to almost €1 billion. It is crucial that the CEB focuses on the consequences of climate change and intensifies its focus on ensuring that projects enhance gender equality and the long-term integration of vulnerable groups."
Aleksandra Đurović, Ambassador Extraordinary and Plenipotentiary, Permanent Representative of Serbia to the Council of Europe

The Bank has played an important role in the transformation and modernisation of Poland's economy. The CEB's engagement targets ambitious areas, including urban renewal and flood prevention, and contributes to delivering tangible results for citizens and companies, including supporting our vital MSME sector. We're looking forward to continuing to benefit from the CEB's lending operations."
Jerzy Baurski, Ambassador Extraordinary and Plenipotentiary, Permanent Representative of Poland to the Council of Europe





Spain benefits from the Bank´s financial leverage to promote social values and build social cohesion thereby helping to construct a more social Europe. In Spain self-employment and MSMEs are the main source of jobs, so a CEB-supported series of micro-credits to vulnerable families and businesses with the help of Nuevo Microbank has been particularly successful."
Manuel Montobbio, Ambassador Extraordinary and Plenipotentiary, Permanent Representative of Spain to the Council of Europe

Italy is one of the eight founding members of the CEB and one of its three largest contributors. Since 2016, it has again become a major beneficiary with 14 projects approved, amounting to more than €2 billion. Many important projects have been financed thanks to the Bank. CEB funding for our health sector and to reduce the impact of Covid-19 has provided valuable support to frontline organisations."
Michele Giacomelli, Ambassador, Permanent Representative of Italy to the Council of Europe



Read the full story
For the full interviews with the Ambassadors, visit
https://coebank.org/en/about/65-years/interviews-ambassadors

A game-changer for social rights

The European Commissioner for Jobs and Social Rights, Nicolas Schmit, discusses the many outcomes of the Porto Social Summit.

The Porto Social Summit, which took place in May this year, was a game-changer for social rights. The social dimension in European policies is now anchored more than ever. We have an action plan, we have targets, we have clear political commitments: it is very concrete.

This has been possible thanks to the support of the Portuguese Presidency who put social rights front and centre of the agenda. This includes a new impetus for access to affordable and quality housing in the European Union and a new European Platform on Combatting Homelessness.

Europe has reacted in solidarity to the economic and social impact of the COVID-19 pandemic. Member States have been successful in limiting its employment and social consequences. All of them are currently on track to reach their pre-crisis level of quarterly output by 2022.

Preserving jobs and incomes

Short-time work schemes have supported up to 32 million European jobs. EU funding, under the SURE instrument and the Coronavirus Response Investment Initiative (CRII) was fundamental. More than €90 billion in SURE loans have been provided to 19 Member States, preserving the jobs and incomes of between 25 and 30 million people.

The COVID-19 pandemic has also accelerated the impact of the green and digital transitions on our labour markets. While our society and economy undergo big changes, our citizens continue to rightly expect quality jobs that allow a decent living and social protection in times of need. Our young people should not be forced to accept jobs with precarious terms and conditions purely out of desperation. We must ensure that we do everything we can do enable our young people to thrive, so they have prospects for the future.

Social reforms and investments must shape the recovery and the transition towards a greener and digital economy. The NextGenerationEU recovery instrument and the new multiannual financial framework will together provide a financial firepower of €1.8 trillion in 2021-2027, the largest amount ever financed through the European budget.



Creating three EU-level headline targets

To steer joint efforts at all levels, the Commission has set 3 new EU-level headline targets in the field of employment, skills and social inclusion in the European Pillar of Social Rights Action Plan:

- at least 78% of the population aged 20 to 64 should be in employment by 2030
- at least 60% of all adults should participate in training every year
- and the number of people at risk of poverty or social exclusion should be reduced by at least 15 million by 2030, among which at least 5 million are children.

These EU-level targets were endorsed by Member States at the Porto Social Summit, and now the Commission is working with Member States to set corresponding national targets.

The Action Plan turns the principles of the Pillar of Social Rights into action. It provides the roadmap of how to create



Nicolas Schmit

Luxembourgish nationality

- 2019-present, European Commissioner for Jobs and Social Rights
- 2019, Member of the European Parliament
- 2013-2018, Minister for Labour, Employment and the Social and Solidarity Economy
- 2009-2013, Minister for Labour, Employment and Immigration
- 2004-2009, Minister Delegate for Foreign Affairs and Immigration
- 1998-2004, Ambassador, Permanent Representative of Luxembourg to the EU
- 1991-2004, Member of the Council of State

The NextGenerationEU

recovery instrument and the new multiannual financial framework will together provide a financial firepower of

€1.8 trillion

in 2021-2027, the largest amount ever financed through the European budget.

more and better jobs, skills and equality and social protection and inclusion and sets out a number of initiatives.

Alleviating poverty

In October 2020, the Commission proposed a Directive on adequate minimum wages which is progressing well with the Parliament and Council. On 14 June, EU Member States adopted the new European Child Guarantee in record time. The Child Guarantee states that Member States should give children in need free access to early childhood care, education, healthy meals, medical care and decent housing. Next year, the Commission will present a proposal on minimum income.

Moreover, the implementation of the Green Deal must contribute to alleviating energy poverty and increase the quality of housing, in particular for medium and low-income households. The Commission's Affordable Housing Initiative will pilot 100 renovation districts.

Combatting homelessness

The European Platform on Combatting Homelessness launched on 21 June will support Member States, cities and service providers in sharing best practices and identifying efficient and innovative approaches. We estimate that around 700,000 people sleep on the streets in Europe every night. We must act now. The Platform could also facilitate the access of social housing organisations to European funding, through initiatives modelled on the European Alliance for Sustainable and Inclusive Social Housing.

Furthermore, with a view to promoting the use of the InvestEU programme in the area of housing, the European Commission and the Council of Europe Development Bank are implementing together a project entitled "Housing and Empowerment of Roma" (HERO), which will support access to housing and employment for vulnerable Roma families in Bulgaria, Romania and Slovakia.

All of these EU-level initiatives contribute to building back better after the crisis, towards a strong, inclusive Europe that protects. Let us now focus our common efforts on delivering tangible results!

A shared vision of growth and recovery



Info talks to Olivér Várhelyi, European Commissioner for Neighbourhood and Enlargement, on how the European Commission is supporting the Western Balkans and cooperating with the CEB.

Info: The start of your mandate saw you initiate work on three areas: update of the enlargement methodology; opening of accession negotiations with Albania and North Macedonia; and the Economic and Investment Plan (EIP) for the Western Balkans. How are these progressing?

OV: We have started the mandate of this Commission with a clear objective: to accelerate the enlargement process. The revision of the enlargement methodology was the first step in that direction. It addressed the reservations of some Member States who felt that the process did not achieve the profound societal transformation necessary to join the European Union. Our new approach aims to strengthen the credibility, predictability and dynamism of the enlargement process and inject stronger political steer. It was essential to achieve the unanimous support of Member States for the Commission's proposal to open accession negotiations with Albania and North Macedonia in March last year. We now need to move forward with adopting the negotiating



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Olivér Várhelyi

- 2019-present European Commissioner for Neighbourhood and Enlargement
- 2015-2019 Ambassador extraordinary and plenipotentiary, Permanent Representative of Hungary to the EU; Deputy Permanent Representative 2011-2015
- 2008-2011 Head of Unit, responsible for Industrial Property Rights in the European Commission's Directorate General Internal Market and Services
- 2006-2008 Head of the EU Law Department of the Ministry of Justice of Hungary
- Has a Law degree and a Master of European Legal Studies.





frameworks so the membership talks can officially begin in June. The Commission is working closely with the Portuguese Presidency of the Council to overcome the remaining obstacles. As for the third track, the Economic and Investment Plan, we launched that in October last year.

It is a substantial investment package of €28 billion, through grants, guarantees and preferential loans, in the areas of connectivity of transport, energy, digital and green transition to create sustainable growth and jobs. We are talking about investments that amount to around a third of the current GDP of the entire region, which will make significant difference on the ground in a few short years. This investment package is all the more important to support the recovery of the Western Balkans from the pandemic and help close the socio-economic development gap between the EU and the region.

Info: The main aim of the EIP for the Western Balkans is to spur the long-term economic recovery of the region, particularly in the context of the Covid crisis, and to foster regional economic integration and convergence towards the EU. What has been achieved so far that you are particularly proud of?

OV: The EIP is first and foremost a vision of how we want to help bridge the socio-economic gap between the region and the EU faster, by investing in smart infrastructure, energy, green and digital technologies, innovation, providing extra support to the

> **"The EIP is first and foremost a vision of how we want to help bridge the socio-economic gap between the region and the EU faster, by investing in smart infrastructure, energy, green and digital technologies, innovation, providing extra support to the private sector, regional economic integration and investing in people, while making the economy more inclusive and sustainable."**

private sector, regional economic integration and investing in people, while making the economy more inclusive and sustainable. This plan is accompanied by the Green Agenda for the Western Balkans, endorsed by the leaders of the region at the Sofia Summit last year as guiding their actions towards the goal of climate neutrality by 2050.

The EIP is a blueprint of how we want to engage with the region over the next years. Most of our projects are ambitious long-term investments, so it is premature to expect concrete results a few months after the Plan was launched, but we are well advanced on all fronts. This year we are preparing the ground for most of the big investment projects. The main EU financing instrument we will use to implement the Plan, Instrument for Pre-accession Assistance III, was agreed in June and we are advancing also with programming of projects. We have also launched the Regions in Transition platform for the Western Balkans and Ukraine to help coordinate and share expertise on the difficult process of coal transition.

In parallel, we are engaging with partners to prepare an Action Plan to implement the Green Agenda for the region. And, together with the Regional Cooperation Council, the partners are also negotiating concrete agreements to make the Common Regional Market a reality. Negotiations continue particularly on the freedom of movement (ID travel) and mutual recognition of qualifications, and we hope that they may come to fruition before the Berlin Summit in July.

On the economic development front, we are finalising the 2021 Economic Reform Plans with the Western Balkans economies, making sure that the key priorities of the EIP are streamlined in these plans. We are laying the foundations for the establishment of the Youth Guarantee in each of the partner economies and we are continuing our joint work on the rule of law, judicial reform and public administration reform to make sure that the region will make the best use of the assistance provided through the Plan.

Info: **The EIP indicates that the Western Balkans Investment Framework (WBIF) can play an important role in turning this plan into reality. Could you name some EIP aspects that you would like the WBIF financing partners to contribute to?**

OV: The CEB is a founder and partner organisation in WBIF. It is currently active in the implementation of projects related to the social sector. For example, in North Macedonia, the CEB is leading a project to rehabilitate physical education facilities in primary and secondary schools and acquire sports equipment. In the public sector, we have been contributing over the last 10 years to the CEB Regional Housing Programme in the Western Balkans.

The CEB is also a key partner for the implementation of the EIP, in particular in support of the green transition of social infrastructures investment but also in support of private sector development and labour market inclusion of vulnerable communities. The CEB may have an active role through the WBIF but also through more direct involvement of the beneficiary economies.

For example, the CEB could envisage a contribution to the renovation wave investment flagship of the EIP and explore further the possibility to capitalise and find synergies with the CEB Green Social Investment Fund (GSIF), established by the Bank in 2020 to help accelerate CEB member countries' transition towards low-carbon and climate-resilient economies.

On the support to the private sector development, the experience of the CEB in supporting vulnerable communities in the region can help shape specific action encouraging labour market inclusion of disadvantaged segments of the population by, for example, promoting self-employment. We are currently working with WBIF IFIs, including the CEB, on how to develop further the support to innovation ecosystems in the region but also on how to support self-employment and entrepreneurship, for example through microcredits.

Info: **The EIP sets out a substantial investment package, mobilising up to €9 billion of funding for the region. A part of it should go to human capital and social sector investments. The first set of projects only partially reflects this scope. What will the next set of projects look like, and what social sector priorities have emerged post-pandemic?**

OV: Investing in human capital development is one of the priority areas, and the Youth Guarantee is one of the ten flagship initiatives of the Plan.

The Youth Guarantee is an ambitious activation scheme to provide a smooth transition for young people from school to work: it will guarantee school leavers an offer of employment, education or further training within a specific timeframe – this should help prevent further brain drain in the Western Balkans. This flagship builds on the EU Youth Guarantee, which benefitted almost 25 million young people.

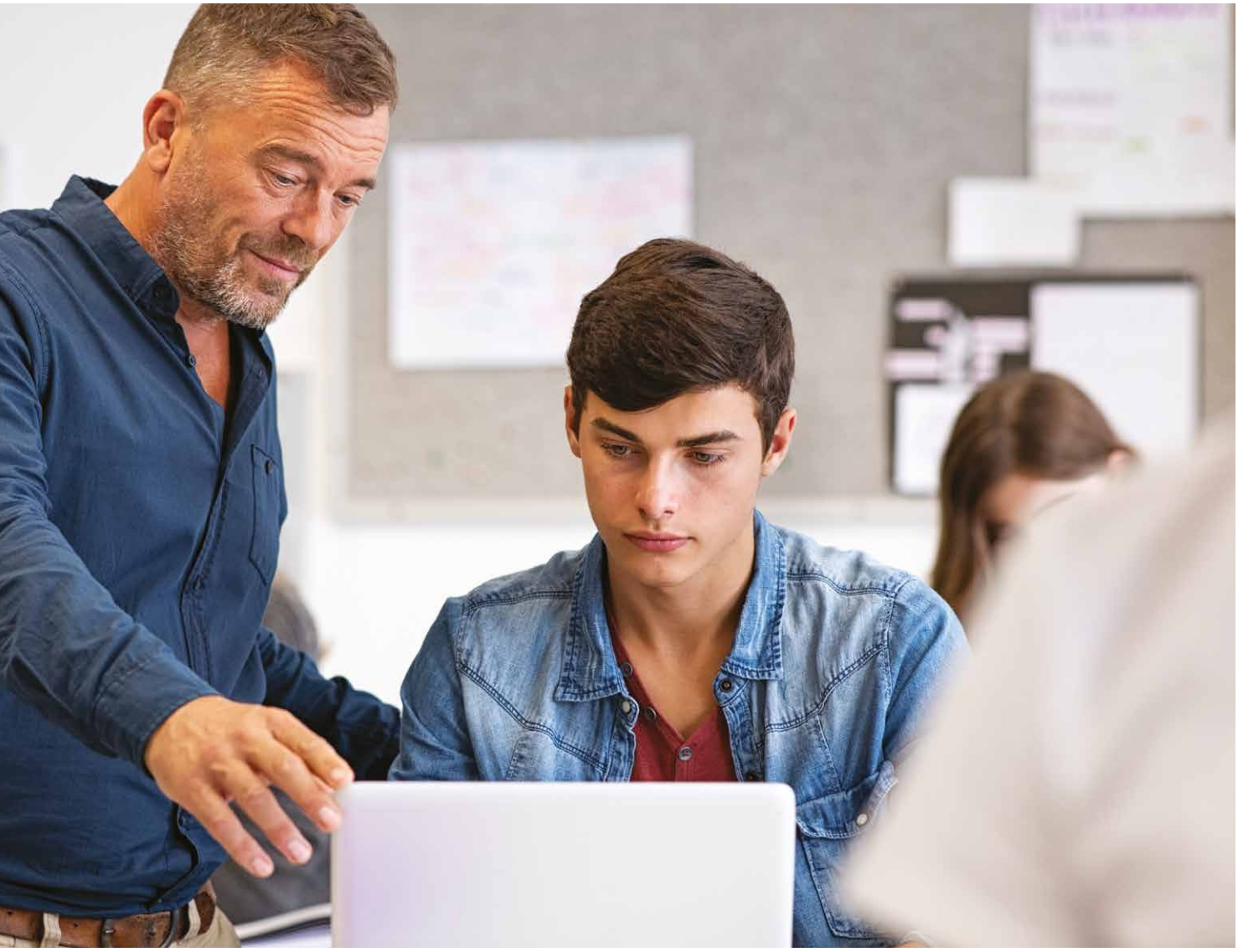
As the EIP makes clear, the Commission aims to support human capital development in the region also more broadly by increasing our funding in the region. These actions will be based particularly on the reform priorities identified in the Economic Reform Programme (ERP) process and joint policy guidance relating to education and skills, employment, and social protection and inclusion as well as youth, health, culture and sport.

For instance, among the key structural challenges facing the region are a high share of informality, including undeclared work, which hampers access to social security and rights. Another important area concerns regarding the significant labour market imbalances due to, inter alia, skills mismatches that result from insufficient links between education systems and the needs of the labour markets. Accounting for specific needs and contexts is, however, key for achieving a sustainable recovery from the COVID-19 crisis. Therefore, during

> **The CEB is a founder and partner organisation in WBIF [and] a key partner for the implementation of the EIP, in particular in support of the green transition of social infrastructure investment but also in support of private sector development and labour market inclusion of vulnerable communities."**

EIP for the Western Balkans

- A substantial investment package of €28 billion.
- Aims to be a fast way to bridge the socio-economic gap between the region and the EU.
- Contains ten flagship initiatives, including the Youth Guarantee.



2021-27, a range of activities relating to human capital and the social sector will be supported through the programmes and facilities under IPA III at the bilateral and regional level.

Info: **The CEB is working on a study on the role of social infrastructure in the Western Balkans and its relation to human capital development and brain drain mitigation. Initial findings show that the costs, quality and availability of housing may be adding to an already long list of reasons as to why young people decide to emigrate. Is there a role for the European Commission in developing social and affordable housing in the region?**

OV: Our funding has been supporting access to housing in the region for a long time. The impact of these investments has been high at the local level, and benefitted individuals and local communities.

While not mentioning housing explicitly, the Economic and Investment Plan (EIP) for the Western Balkans highlights the importance of reforms of social protection and inclusion systems as part of its priority area on investing in human capital. There are already ongoing actions that support access to housing, such as the example in North Macedonia I mentioned. And the Plan foresees a number of actions across the board that will help address the housing issue, from green and digital, energy efficiency to youth participation.

Housing and assistance for the homeless is one of the 20 principles of the European Pillar of Social Rights (EPSR). In November 2018, the Western Balkans ministers in charge of social affairs signed a commitment in Belgrade to be guided by the EPSR to promote reforms in social sectors further and thus align their labour markets and welfare systems with the EU. The Commission's EPSR Action Plan, published in March and welcomed by EU leaders in their Porto Declaration of May 2021, highlights access to affordable housing as an increasing concern in many Member States and the need to strengthen the dialogue with the Western Balkans to foster the implementation of the EPSR in the region. We will continue working to support the creation of the socio-economic conditions in the region to allow young people to live and thrive in their home economies. All efforts, including by CEB and the European Union, thus aim at the same goal.

> **"The Youth Guarantee is an ambitious activation scheme to provide a smooth transition for young people from school to work: it will guarantee school leavers an offer of employment, education or further training within a specific timeframe."**

Brighter futures in the Balkans

A long-term education project, funded by the Western Balkans Investment Framework (WBIF), with substantial loan contributions from the CEB, is transforming scores of primary and secondary schools and their facilities in North Macedonia. The project is enhancing the education, and therefore the life chances, of thousands of children in the region.

The CEB and WBIF

- No. of projects: **14**
- Grants as lead IFI: **€32m**
- Loans signed: **€475m**
- Estimated project value: **€782m**

The WBIF is a joint initiative of the European Commission, the CEB, the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), bilateral donors and Western Balkans beneficiaries, launched in December 2009 with the purpose to deliver finance and technical assistance for strategic investments. The KfW and the World Bank subsequently joined the platform. In December 2018, the Agence Française de Développement (AFD) became a participating organisation in the WBIF.

The WBIF blends grants, loans and beneficiary contributions for infrastructure investments in the energy, environment, social, transport and digital sectors as well as for private sector development. Together with the Western Balkans beneficiaries, the WBIF forms a unique partnership, which defines priorities and support packages for strategic investments and institutional reform in the region. It contributes to the European perspective of the Western Balkans by supporting investments that improve competitiveness and growth and are complemented by policy measures that foster regional cooperation and connectivity.

North Macedonia



Enhancing education outcomes in North Macedonia

This project was initiated in 2009 as part of a larger programme of the Ministry of Education and Science. It aims to improve the performance of students in school subjects, boost their fitness, increase enrolment rates and foster inclusive socio-economic development.

This project involves the construction of 80 physical education (PE) facilities and the refurbishment of more than 60 primary and secondary schools. WBIF grant support has also facilitated the refurbishment of ten primary and six secondary schools. "Schools rehabilitated under the project offer better learning environments for physical education and access and inclusion of children with disabilities throughout the country," says Jasmina Glisovic, CEB Country Manager for North Macedonia.

The work on these schools has included replacing roofs, windows and floors, toilets, removing roof asbestos, and general repairs to heating and electrical systems. Ms Glisovic continues, "There is a positive environmental impact too, related to the use of environmentally-friendly construction materials, appropriate waste management and the improved energy efficiency of the buildings."

A CEB visit to Community Elementary School '25 May' in Hasanbeg, Skopje.



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© EU WBIF


Anisa Ibishi


Kanita Hyseni

CASE STUDY

"I'm proud to be a pupil here"

One of the schools to be completely transformed as part of this project has been the Community Elementary School '25 May' in Hasanbeg, Skopje. Founded in 1965, the school has 85 teachers and 1,528 pupils. School Principal, Fadil Murtezani, describes the project.

"Between 2013 and 2015 the Ministry of Education completely renovated the school with assistance from the WBIF, the CEB and EU donors, making it into the modern school it is today.

"We are now a digital school. Classes are held with interactive smart boards and magnetic white boards which bring pupils closer to knowledge, learning and innovation. Our science classrooms are now equipped so that pupils can take part in competitions. They've had many successes with help from their mentors and are now the same as pupils in other European countries."

Principal Murtezani continues, "Our school is known for its cooperation with schools at municipal, national and international level. We have established links with schools in Albania, Kosovo, Serbia, Turkey and Germany and this enables us to access new innovations, promotes opinion and ideas sharing between pupils and teachers, and it has helped in the management of the school.

"We are proud of our school, which gives pupils everything they need for their education. We are all so grateful to the donors, to the EU, the Ministry of Education and the Municipality."

Anisa is in the ninth grade at the school. She says, "I'm very lucky to attend this school because it is fully equipped with everything we could possibly need. This makes it faster and easier to learn, and it makes learning more interesting."

Kanita is in the same grade. "I'm really proud to be a pupil at this school because we're able to study different things, and we're the only school in Macedonia where classes are held according to modern European standards. That's good for us and our teachers. We have taken part in competitions in such subjects as Albanian literature, science and sport and we've won first, second and third prizes."

"We are proud of our school, which gives pupils everything they need for their education. We are all so grateful to the donors, to the EU, the Ministry of Education and the Municipality."

Principal Murtezani, Community Elementary School '25 May' in Skopje



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PAGE 20 AN UPDATE ON THE REGIONAL HOUSING PROGRAMME


© EU WBIF

North Macedonia schools project

- Construction of **80** physical educationfacilities in primary and secondary schools
- Refurbishment of more than **60** primary and secondary schools
- Rehabilitation of **10** primary and **6** secondary schools supported by WBIF grants
- New school equipment for **16** refurbished schools financed from WBIF grants
- More than **52,000** pupils will benefit

The project has benefitted from two WBIF investment grants which have been made available by WBIF bilateral donors' contributions, as well as from two loans totalling €42.5 million granted by the CEB. A €3 million investment grant was also approved by the WBIF Steering Committee in 2020 and will see physical education facilities in 80 primary and secondary schools being refurbished. Financing for this investment grant also came from donors, particularly Norway, Sweden, Austria, and Germany. More than 52,000 pupils are expected to benefit from the new facilities by 2023.

"Schools rehabilitated under the project offer better learning environments for physical education and access and inclusion of children with disabilities throughout the country."

Jasmina Glisovic, CEB Country Manager for North Macedonia

CEB RESEARCH

Analysing social infrastructure in the Western Balkans

As well as being a founding member of the WBIF, the CEB is not only a project financier, but it also helps to assess and set the policy agenda for investment priorities in the region. This includes publishing research on key issues related to the Bank's social mandate.

The CEB Studies Unit will soon publish a report that investigates how the Western Balkan countries' social sectors - education, healthcare, and housing – are ineffective in strengthening the region's economies, which have in part been weakened by persistent emigration.

Tackling the 'brain drain'

The study, called 'A report on the Western Balkans' social sector' finds that the region's human capital stock – the skills and knowledge of citizens – is being hollowed out as people in highly-educated and skilled professions continue to emigrate. This 'brain drain' is threatening the ability of the region's countries to innovate and transition to higher-value-added growth economies.

The study diagnoses the inadequacies of the current social systems that will need to be fixed if they are to contribute to the development of more resilient human capital and improve the region's economic competitiveness.

Education

The report highlights how resource shortfalls in compulsory education and the limited uptake of vocational training are potentially resulting in poor skills development.

Health

The health sector is plagued with issues of high individual costs and shortages of resources and medical staff (the latter is especially aggravated by the emigration of doctors and nurses), which may contribute to reduced health outcomes for people who stay in the region.

Housing

The lack of availability and affordability of quality homes in the region severely affects many people's quality of life. This is particularly the case for the young: the age at which they move out of their parents' home is one of the highest in Europe.

The report highlights that people are likely to continue to leave the region for a variety of economic, governance, and personal reasons, including the poor state of the social sectors which reduce the region's economic prospects and opportunities for a more prosperous life.

If the region's governments, the EU, and financing bodies – including the WBIF – can focus on these key social sectors, the region's economic prospects will likely improve, encouraging people to stay in the region and contribute to its development.

22 countries, one focus

Info talks to Tomáš Boček as he looks back on the first two years of his mandate as the CEB's Vice-Governor for Target Group Countries and makes plans for his second.

Info: What do you view as the highlights of your first mandate as Vice-Governor for Target Group Countries?
TB: Looking back at the last 2 years, there are many achievements to be proud of. Personally, I am honoured to be part of the CEB's team and working with so many talented and experienced people. On a professional level, I'm particularly proud of the Bank's reaction to the emergency needs of our member states from the early days of the COVID-19 pandemic. Its reaction had a concrete and important impact. The CEB was the very first european multilateral development bank to financially support the imminent needs of our member states to fight the pandemic, providing a flexible approach and developing fast and innovative procedures.

Info: How has the CEB supported its target group countries to mitigate the fallout from the COVID-19 pandemic?
TB: The CEB's reaction was extremely fast mainly thanks to the mobilisation of the Bank's financial and HR capacities. A total of €4.3 billion, including reallocations of existing financings, has so far been approved in COVID-19 loans.

The 22 Central, Eastern and South Eastern European countries, which are the Bank's target group countries, were among the first to get the financial support to acquire medical equipment and consumables, to transform and upgrade medical units, or for social care and education sector needs. Out of 21 beneficiary countries who applied for COVID-19 loans, 14 are target group countries. Their approved loans amount to €2.6 billion, or 60%, of the total approvals.

I strongly believe that the CEB has successively managed to translate not only emergency but also recovery needs into concrete, effective projects and measures. These will, in the long-term, strengthen social cohesion in these countries.

Info: You were reappointed Vice-Governor for Target Group Countries in April this year. What are your priorities for your new mandate?
TB: My main priority will be to best assist the Governor to fulfil the objectives of the Bank. More particularly it will be to ensure the implementation of the objectives of the CEB's Development Plan as it relates to countries belonging to the target group.

> **"The CEB has managed to translate, not only emergency but also recovery needs, into concrete, effective projects and measures. These will, in the long-term, strengthen social cohesion in the target group countries."**



Tomáš Boček

- Appointed the CEB's Vice-Governor Target Group Countries on 29 March 2019; reappointed for a second mandate on 16 April 2021.
- Worked previously as Special Representative of the Secretary General of the Council of Europe on Migration and Refugees.
- 2010-2016 Ambassador and Permanent Representative of the Czech Republic to the Council of Europe, representing the Czech Republic to the CEB Governing Board.
- 2013-2015, Vice-President of the Governing Board of the CEB.
- Has served as Deputy Minister for International Relations and EU Affairs at the Czech Ministry of Justice, and held senior posts in the Czech Ministry of Foreign Affairs.



VG Boček Commissioner for Refugees and Migration of the Republic of Serbia Vladimic Cucić, sign a letter of intent to cooperate in March 2021



Building better healthcare for refugees

The CEB is playing a crucial role in implementing vital new healthcare services financed by the European Union for refugees and host communities across Turkey, particularly in Kilis, which is close to the Syrian border and has a huge population of refugees who have fled the ongoing conflict in the country.

The Turkish province of Kilis, only ten kilometres from the Syrian border, has more than its fair share of challenges. Over the past five years it has seen its population more than double. In late 2019 there were nearly 260,000 people living here, of which nearly half were Syrians who had fled from the fighting in their home country.

A new state hospital for Kilis

The existing 200-bed public hospital has been put under increased pressure, so a key priority has been to improve access to health services in Kilis. While the Government of Turkey increased the number of beds in the hospital to 326, this was carried out under emergency conditions with beds being added to existing wards or into a prefabricated compound near the main hospital building.

> **"We are pleased to be able to support Turkey, a founding member of the CEB, in addressing the healthcare challenges posed by the unprecedented influx of people seeking refuge from rampant violence in their countries."**
>
> Tomáš Boček, CEB Vice-Governor for Target Group Countries

To help ease the pressure on public infrastructure caused by the dramatic increase in demand for healthcare, the EU, in cooperation with Turkey and the CEB, has mobilised €50 million from the EU Facility for Refugees in Turkey (FRiT) to fund a new

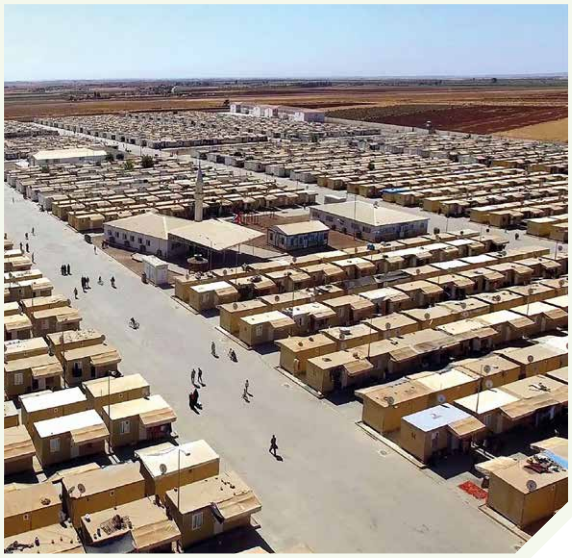
CEB and Turkey

- Turkey was one of the 8 Council of Europe member countries that established the CEB in April 1956.
- Over the past ten years, the CEB has approved more than €1.7 billion in financing to Turkey.
- CEB financing has helped to support investments in MSMEs, sustainable public transport, prevention of natural disasters and COVID-19 response measures.

Map of Turkey







hospital in Kilis. The European Commission entrusted the CEB with the implementation of the hospital project and construction began in earnest in 2019.

A full service facility

The new Kilis State Hospital will provide quality healthcare services, including outpatient services, a 24/7 emergency service, the latest imaging systems, plus clinical laboratories, operating theatres, as well as intensive care units.

The hospital will feature 67 single and 124 twin bedrooms, plus 13 suite rooms, and two dialysis rooms with 12 beds in total. The intensive care units will provide 98 general, 13 paediatric, 36 newborn and 7 isolation beds.

The hospital will also feature a state-of-the-art diagnostic biochemistry lab plus an MRI scanner, ten X-ray rooms, mammography and tomography rooms and seven ultrasound rooms.

All concrete works of the main hospital building, the Oral and Dental Health Centre and a multi-storey car park were completed in 2020. The hospital should be operational by the end of this year.

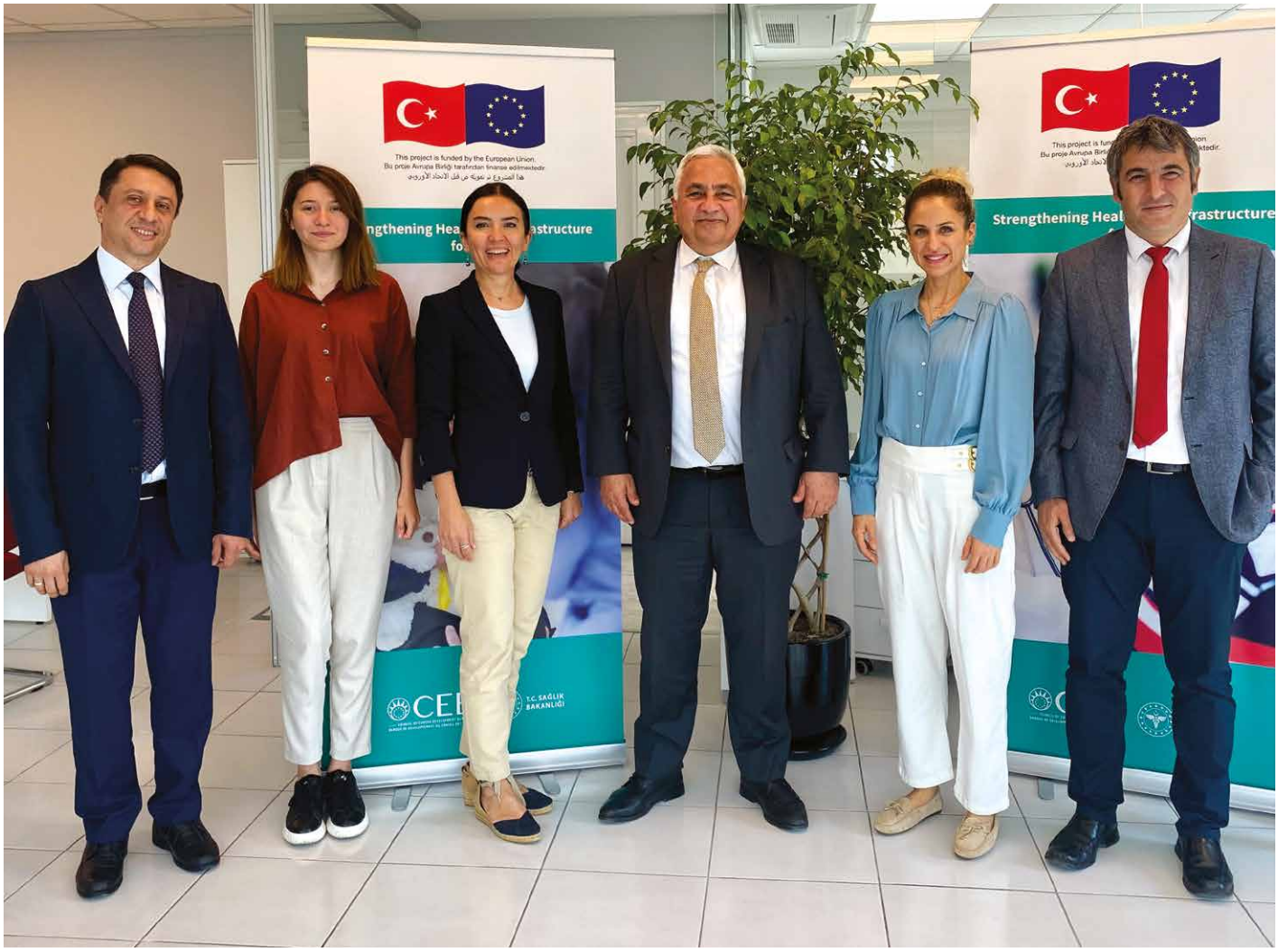
Supporting services throughout Turkey

In December 2020 the CEB and the Delegation of the EU to Ankara agreed on a €90 million investment project to support refugee healthcare infrastructure and services throughout Turkey. The programme, called Strengthening Healthcare Infrastructure for All (SHIFA), aims to make quality healthcare services more accessible to refugees and Turkish communities and will see the construction and renovation of up to 117 migrant health centres, the renovation of up to 110 physiotherapy and rehabilitation units in public hospitals, and the purchase of medical equipment and supplies.

SHIFA will be funded by the EU under the FRiT. It started in March 2021 and is expected to last until 2025. The CEB will manage the project while the Ministry of Health in Turkey will implement the infrastructure and supply components.

EU Facility for Refugees in Turkey (FRiT)

The FRiT provides significant additional funding to support refugees in Turkey. It manages a total of €6 billion and is designed to ensure that the needs of refugees and host communities in Turkey are addressed in a comprehensive and coordinated manner. The main focus areas of FRiT are humanitarian assistance, education, health, municipal infrastructure, and socio-economic support.



On the ground support

In a first for the CEB, the Bank has set up an office in Ankara to oversee the project. "The Ankara office will be actively involved in project management and monitoring and will provide technical support to the Ministry of Health," said Vassilis Petrides, who heads up the office. "We have recruited five experts who are all Turkish nationals – the high calibre of the applicants made the job of the selection committees very difficult.

"While the office may be newly established, we aren't starting from scratch. Supporting refugees and vulnerable groups is the CEB's core mandate, which it has been fulfilling for the past 65 years."

Tomáš Boček, CEB Vice-Governor for Target Group Countries, said: "We are pleased to be able to support Turkey, a founding member of the CEB, in addressing the healthcare challenges posed by the unprecedented influx of people seeking refuge from rampant violence in their countries. The EU is by far our largest donor and this agreement represents a strong commitment from our side to increase our cooperation and impact for the benefit of the most vulnerable."

> **"While the office may be newly established, we aren't starting from scratch. Supporting refugees and vulnerable groups is the CEB's core mandate, which it has been fulfilling for the past 65 years."**
>
> Vassilis Petrides, Project Manager and Head of CEB Project Office

Ankara office

Colleagues and responsibilities (left-right)

- **Besim Balci**, Technical Project Manager
- **Kubra Ozturk Kaska**, Assistant
- **Yelda Gozpinar**, Technical Project Manager
- **Vassilis Petrides**, Project Manager and Head of CEB Project Office
- **Naz Yurtvermez**, Monitoring and Reporting Manager
- **Ersin Dagdur**, Procurement Advisor

PAGES 08-11 OLIVÉR VÁRHELYI ON SUPPORTING THE TRANSITION OF THE WESTERN BALKANS INTO THE EU.

The new Kilis State Hospital in numbers

24
Operating theatres and state-of-the-art emergency and intensive care units

98
General intensive care beds

337 beds
in total



337 bed
hospital under construction in Killis (pictured here), **expected to be operational in 2021**

€50
million EU funding

13
Paediatric intensive care beds

20
specialities

10
X-ray rooms

24/7
Multidisciplinary Emergency Service Unity

7 Isolation intensive care beds

3000
People to be served at a time

Building homes. Rebuilding lives.

Despite the COVID-19 pandemic, the Regional Housing Programme (RHP) has continued to deliver homes for the most-vulnerable displaced people in Bosnia and Herzegovina, Croatia, Montenegro and Serbia. Info looks back at the Programme's achievements over the last year and to date.

Over three million people were displaced both within and beyond the borders of Bosnia and Herzegovina, Croatia, Montenegro and Serbia as a result of the armed conflicts in the territory of the former Yugoslavia in the 1990s.

The RHP was established in 2012 as a joint initiative by these four Partner Countries to provide sustainable housing for the most-vulnerable refugees and displaced persons following the 1991-1995 conflicts, in addition to internally displaced persons in Montenegro from 1999. The current objective of the RHP is to provide durable housing solutions to 11,800 families, or some 36,000 people.

The RHP consists of four individual Country Housing Projects, each implemented at country level, that sees the Partner Countries co-operating to solve problems, improve neighbourly relations and foster security and stability in the region.

The challenges of 2020

The outbreak of the COVID-19 pandemic inevitably caused some major challenges for the RHP. Staff illness, lockdowns and travel restrictions all led to a reduced labour force, administrative delays and disrupted supply chains.

However, by putting mitigation measures in place, and with steady support from the Programme Partners – the CEB, in addition to UNHCR and the OSCE – the Partner Countries were able to continue implementing the RHP.

CASE STUDY:

"Our new house is so well built"

Mirela Božurić and her family, from Petrinja, Croatia, fled to Stari Farkušić as internally displaced persons in 1992. They returned to Petrinja in 1996, where Mirela and her sister and their families live with their mother and grandmother and manage a small farm.

After years waiting for a proper home, the Božurićs were selected for the construction of a new house under the RHP. "The construction works were quickly completed, and the new house was built with good-quality materials," says Mirela.

The family were ready to move into their new home in late 2020 when an earthquake struck, destroying the chimneys. However, these were quickly repaired. Mirela comments, "Our new house is much safer because it is so well built. Thank you to everyone who made our home a reality."



€291 million in contributions

36,000 people will have a new home once the RHP is completed

24,400 people have received new homes

31 sub-projects approved

15 Donors

4 Partner Countries

3 Programme Partners: CEB, OSCE, UNHCR



By the end of 2020 another 4,500 people had moved into their new homes



Despite the pandemic, RHP beneficiaries continued to receive keys to new homes

Remaining focused

While the ceremonies of handing over keys to housing beneficiaries had to be put on hold, keys continued to be delivered, and by the end of 2020, another 4,500 people had moved into their new homes, bringing the total number of people served by the RHP to over 23,000.

Commenting on the importance of the RHP in light of the pandemic, Rolf Wenzel, CEB Governor, says, "If anything, the mandate of providing decent homes to those who were displaced during the conflicts in the former Yugoslavia and are most in need has assumed an even greater urgency.

"Prior to receiving their new homes, RHP beneficiaries live in substandard homes or collective centres. They often face overcrowded housing conditions, with several generations living together. Some have health issues. Others are elderly. Many experience economic hardship and insecurity. As such, they are particularly vulnerable to the pandemic and its associated consequences."

PAGE 24 ECO-RAZENI WINS THIS YEAR'S CEB AWARD FOR SOCIAL COHESION



Homes delivered to date

- Bosnia and Herzegovina: 1,800 homes to 5,400 people
- Croatia: 330 homes to 1,000 people
- Montenegro: 417 homes to 1,250 people
- Serbia: 5,587 homes to 16,800 people

CASE STUDY:

"I am beyond grateful"

In 1995, Jasmina Jović and her family (above) of seven fled their home in Srb in Croatia and moved to different places before settling in the village of Bezdan in Serbia, where they bought a dilapidated house which would be their home for the next 25 years.

When they heard about the RHP they applied for building material assistance. When the materials arrived Jovo, Jasmina's husband, was able to do major works on the house. "We received the most essential and expensive materials, which we could never have provided ourselves," he says.

Jasmina, Jovo and Jovo's mother intend to live together in the reconstructed house. Jasmina says, "I am beyond grateful for the assistance that we received from the RHP."

"The RHP represents the last major contribution of the international community to finally close this chapter of history of the Western Balkans, and to start anew. It has cultivated new professional relationships, facilitating knowledge sharing and the development of common solutions to common problems. It is our hope that these close working relations will have a lasting impact on reconciliation in the region, paving the way for regional approaches to future challenges."

Stephan Sellen, Deputy Director, Loans and Social Development Directorate, Head of RHP Division, CEB

Donors deliver extra support

In recognition of the RHP's achievements and challenges, several Donors contributed additional funding in 2020. The EU provided €1.8 million, Norway €640,000, Spain €100,000 and the Czech Republic €46,000. These new contributions brought the total funding provided by the international community to €291 million. The EU, represented by the European Commission, is the largest Donor, with €235 million contributed, followed by the United States with €24 million.

Olivér Várhelyi, Commissioner for Neighbourhood and Enlargement at the European Commission says, "I wholeheartedly congratulate the people and colleagues in the Partner Countries and elsewhere for this work, and commend them for their dedication to the common goals of the Programme. We now need to address remaining needs with renewed energy."

Health in a post-pandemic world

On 6 May the CEB hosted a webinar on 'Health and Climate Change: Common Challenges, Common Solutions?'. This is the first in a series of events that will address the themes of an inclusive, sustainable and resilient recovery from COVID-19.

This CEB-hosted webinar explored how institutions can break the link between environmental degradation and a declining state of health, and what strategies and investments are needed for healthier and more sustainable European societies post-pandemic.

Nearly 150 people from European financial institutions, policy makers and academics from the health and social care sectors attended to listen to speakers from the health and social care sectors.

Session speakers

- **Monica Scatasta**, Director for Technical Assessment and Monitoring of the CEB
- **Caroline Costongs**, Director at EuroHealthNet
- **Thomas Bignal**, Policy Manager at the European Association of Service providers for Persons with Disabilities (EASPD)
- **Stefanie Matthys**, Managing Director of the European Network Architecture for Health (ENAH)
- **Pascal Garel**, Chief Executive of the European Hospital and Healthcare Federation (HOPE)
- **Thomas Kergall**, Technical Advisor for Health and Social Care at the CEB

Resilience and a global approach

Monica Scatasta introduced the challenges posed by climate change to the healthcare sector considering the COVID-19 pandemic. She said, "The crisis has clearly indicated that resilient and inclusive health systems are a pillar of our societies and economies."

She outlined the role the CEB has played in helping to tackle the increasing incidence of noncommunicable diseases and the health impacts of environmental degradation while supporting investment in health-related infrastructure.

Ms Scatasta said that healthcare systems need a better understanding of the connection between human health and climate change, and that a global approach was needed to fight pollution, diversity loss and destruction of natural habitats to reduce the likelihood of infectious diseases taking hold.

Caroline Costongs outlined how institutions play a large part in promoting sustainable environmental change since they can promote a healthier society through concrete actions, while Thomas Bignal underlined the margin for improvement for social health and social wellbeing in societies.

Stefanie Matthys pointed out the connections between healthcare infrastructure and climate change and how hospitals should invest in energy efficiency and in resilience of buildings. Pascal Garel looked at how the management of safety and environmental issues in relation to climate change is being tackled in hospitals.

Suggesting solutions

Looking into potential solutions for climate change issues in the healthcare sector, Ms Costongs discussed how preventative health measures can help. She also noted how investors have the power to support sustainable, healthy projects, while Mr Bignal emphasised the importance of involving vulnerable people in the decision-making process.

Thomas Kergall ended the session by highlighting how, if unchecked, climate change may cause 250,000 deaths per year, between 2030 and 2050, through the combined effect of loss of biodiversity, poor nutrition, inaccessible water sources, and soil degradation.

He also drew attention to how the CEB is ready to address the call to invest in climate mitigation projects. The CEB is also a founding member of the Decide Hub Network, a global network to help decision makers in health achieve best value for money in health choices and policies.





Eco-Razeni wins CEB Award 2021

Eco-Razeni, a pioneering catering social enterprise in the Republic of Moldova, won this year's CEB Award for Social Cohesion, out of 120 applications. This innovative enterprise provides training and employment opportunities for young people with disabilities.

The CEB Award for Social Cohesion was launched last year to recognise organisations and projects in CEB member states that are helping to address pressing social issues and drive social cohesion.

This year's competition opened in January and received 120 entries from all over Europe. CEB Governor Rolf Wenzel said, "It is important to encourage and reward initiatives that actively promote social cohesion and I am pleased to see that the CEB Award for Social Cohesion has attracted so many worthwhile projects from around Europe for a second year in a row."

A panel of CEB experts assessed each entry to create a shortlist of five projects. An independent jury then met virtually to select the winner. Eco-Razeni was announced as the winner of the 2021 CEB Social Cohesion Award at a virtual award ceremony on 11 June – winning the €25,000 prize for the innovative way it upskills and empowers young people with disabilities across the Republic of Moldova.

Supporting people with disabilities

Eco-Razeni is the country's first catering social enterprise and provides on-the-job training and employment for young people with disabilities from rural areas and small towns across the country. Many young people with disabilities in the Republic of Moldova receive little education, which reduces their life chances, and they may live in socially vulnerable families at risk of poverty.

Over time Eco-Razeni's enterprise has grown. It launched a social assistance canteen in early 2013, followed by a paid-for catering service. And in early 2014 it launched its own greenhouse where team members grow organic vegetables for use in its catering. It has recently opened a new social bakery and catering facility, called 'Hope has an address' which is providing modern training and catering facilities, excellent training resources and additional employment opportunities.

“This award will allow us to continue to help excluded and marginalised persons to rebuild their lives, thus strengthening the confidence in our community – our sense of hope and belonging.”

Sergiu Gurau, CEO of Eco-Razeni

Impressive outcomes

Since its launch, Eco-Razeni has enabled some 100 young people with disabilities to benefit from employment and vocational training. Here they have learnt how to grow, prepare and serve food, while learning more general skills, such as teamwork. The work also helps to develop their confidence, self-esteem and communication/interpersonal skills. Eco-Razeni is supporting young people with disabilities to gain skills and fulfil their potential, and to make positive changes in their lives.

Thanks to the €25,000 prize from the CEB Award for Social Cohesion, more young people with disabilities will now be able to learn how to create traditional, healthy and high-quality bakery products and gain the skills and opportunities they deserve.

Commenting on the win, Sergiu Gurau, CEO of Eco-Razeni, said, “This award will allow us to continue to help excluded and marginalised persons to rebuild their lives, thus strengthening the confidence in our community – our sense of hope and belonging.”

Selecting a winner

At the award ceremony on 11 June, Snežana Samardžić-Marković, President of the Jury, said, “It was not an easy job for the jury to come to an agreement in selecting the best among the best. We liked all the projects, and if we were able to do so, we would certainly grant an award to each of them.”

The other shortlisted projects were:

Miniila

This app, created by Missing Children Europe, based in Belgium, gives children in migration access to child-friendly and up-to-date information on their rights and provides support and services wherever they are in Europe. All services included in the app (such as shelter, food, health etc.) are provided by trusted local and international NGOs according to the child’s location. The app is available in Belgium, Bulgaria, France, Germany, Greece, Italy, Sweden and the UK.

Welcommon Hostel

This innovative refugee centre in Athens, Greece, is refurbished as a modern youth hostel open for all travellers, from tourists and volunteers to students and refugees. Since June 2020 it has offered safe accommodation for 80 homeless vulnerable refugees. The hostel offers language and art courses, as well as training in a variety of different areas, including energy efficiency and sustainable tourism.

El Sistema Greece Youth Orchestra

This community music project provides free music education to children and young people in Greece. Students from every walk of life learn and play music together. The orchestra has a strong focus on the integration of refugees and migrants and the inclusion of less advantaged Greek children.

Small Projects Istanbul (SPI)

This women-led cooperative in Turkey promotes employment, skills development and social cohesion for women refugees from Syria. SPI helps to address the limitations created by some Turkish restrictions on work permits and employment opportunities for refugees. Women use their skills, or learn new ones, to create high quality clothing and crafts sold through Muhra, the project’s brand. This gives them the livelihoods they need to create a new life for themselves and their families in Turkey while developing their confidence and social network.

The independent jury members who decided the winner come from the fields of social development, social entrepreneurship, academia and civil society:

- **Snežana Samardžić-Marković**, President of the jury and Director General of Democracy at the Council of Europe
- **Tomáš Boček**, Vice-Governor for Target Group Countries, CEB
- **Eva Maydell**, MEP and President of European Movement International
- **Guillaume Capelle**, Founder of SINGA and CALM
- **Christine Whitehead**, Emeritus Professor in Housing Economics, London School of Economics.

114
Valid entries

30%
increase on last year

27
countries represented

“It is important to encourage and reward initiatives that actively promote social cohesion and I am pleased to see that the CEB Award for Social Cohesion has attracted so many worthwhile projects from around Europe for a second year in a row.”

CEB Governor Rolf Wenzel

Making a positive impact

In March, the CEB published the Social Inclusion Bond Report on its two dedicated COVID-19 Response Social Inclusion Bonds issued in 2020. The report provides details on the allocation of the proceeds and social impact of the projects financed.

In response to the COVID-19 pandemic, the CEB swiftly extended its Social Inclusion Bond Framework to include projects in the health sector. It issued an upsized €1 billion seven-year maturity COVID-19 Response Social Inclusion Bond in April last year, followed by a US$500 million three-year COVID-19 Response Social Inclusion Bond in June. Both bonds were particularly well received by a diverse range of socially responsible investors.

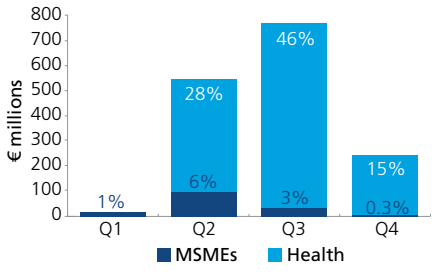
In the context of the pandemic, the CEB decided to focus on the challenges to Europe's public health systems as well as on supporting MSMEs. Fifteen projects across 14 countries benefitted from the proceeds of the two social bonds, supporting 28.8 million people to receive medical care while preserving 83,630 jobs and creating 1,404 more.

KEY DEAL CHARACTERISTICS

Issue date	9 April 2020	10 June 2020
Amount	1,000 €M	500 $M*
Maturity	9 April 2027 (7 years)	10 June 2023 (3 years)
Rating	Aa1/AAA/AA+	Aa1/AAA/AA+
Coupon	0.000%	0.250%
Second Party Opinion	Sustainalytics	Sustainalytics

*eq. 446 €M

2020 DISBURSEMENT EVOLUTION



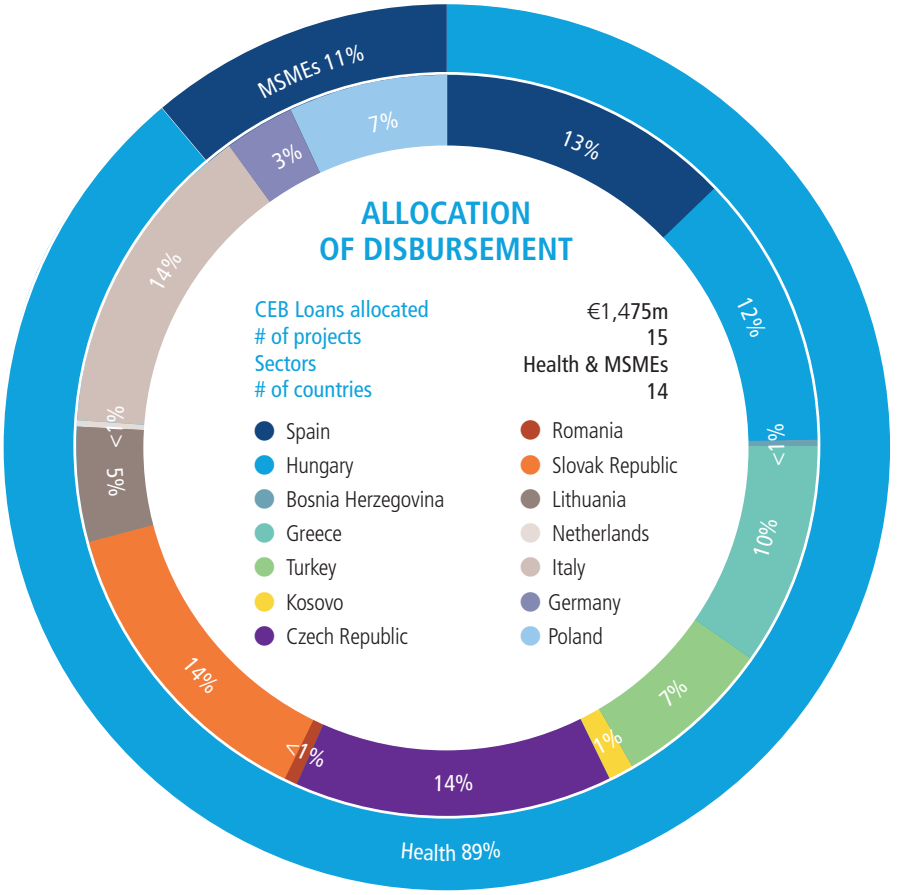
A continuing focus

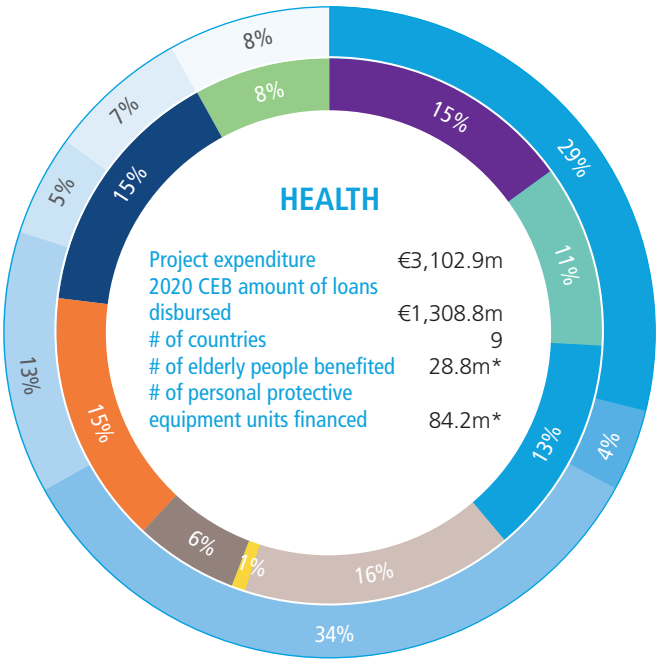
The CEB continues its very successful programme and has issued year to date two Social Inclusion Bonda; namely a new €500million seven-year Social Inclusion Bond in April and a US$500 million three-year one in June. Both issuances attracted a wide range of socially responsible investors, providing further investor diversification to the Bank. As with last year's issuances, the Bank will publish an impact report on the proceeds of the bonds in the following calendar year.

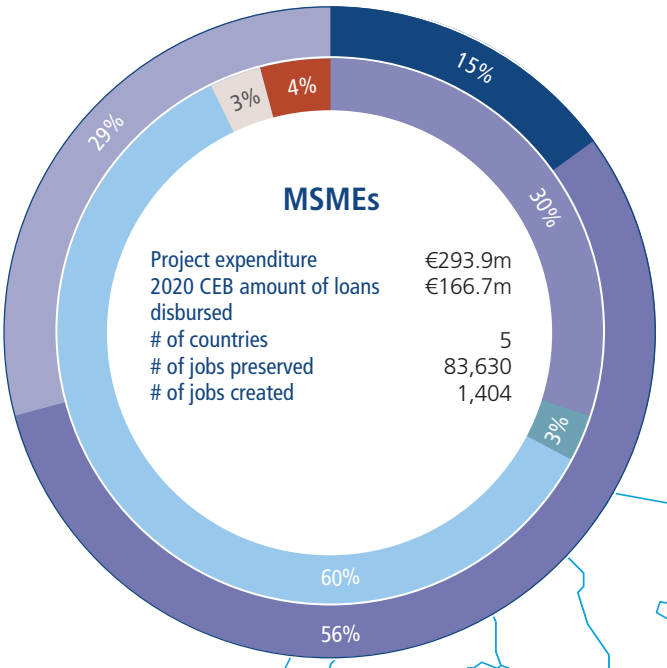
Two new social bonds launched this year to date:

€500 million
seven-year Social Inclusion Bond

US$500 million
three-year Social Inclusion Bond





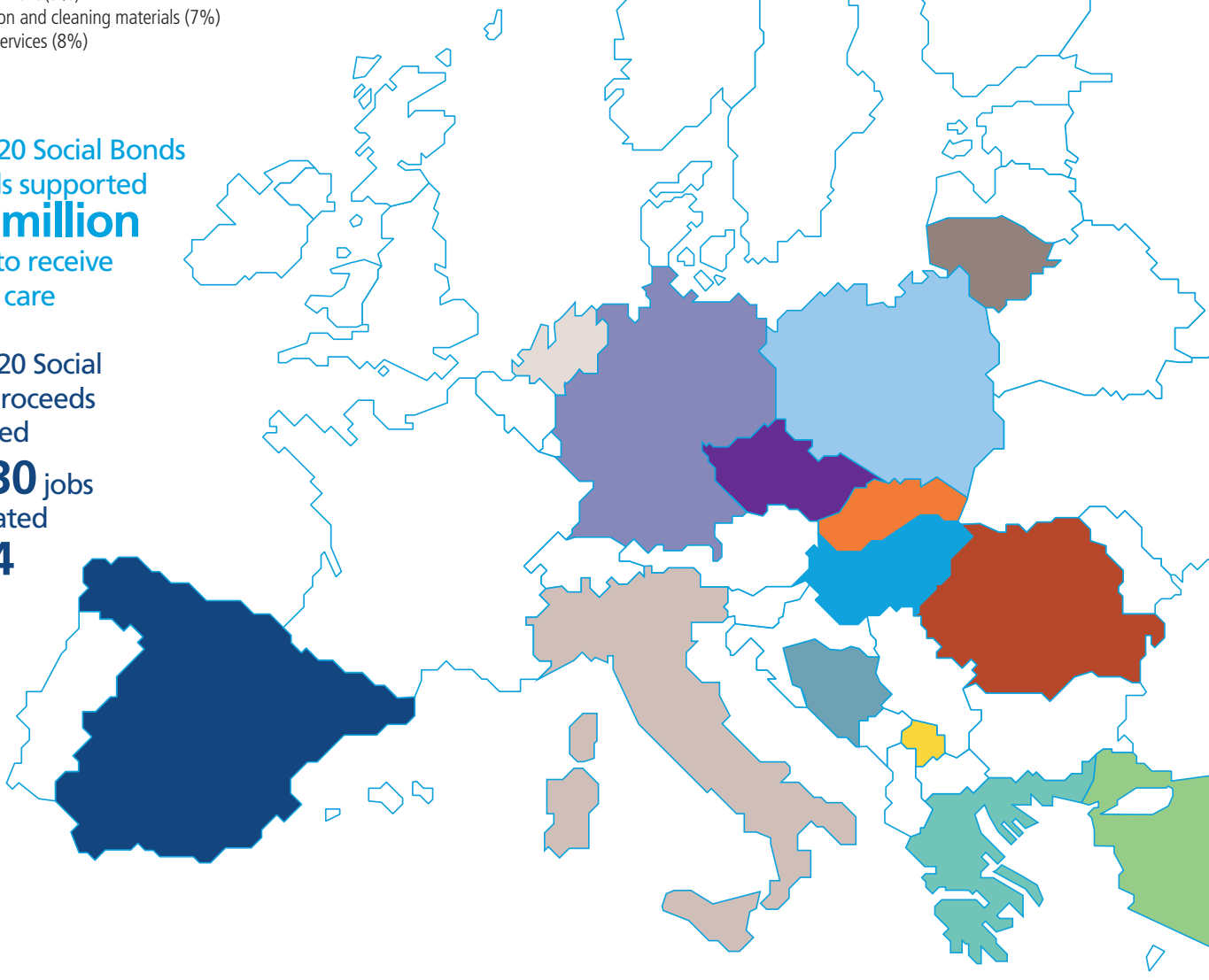


- Medical equipment (29%)
- Medical supplies - Covid-19 (4%)
- Personal protective equipment (34%)
- Heathcare staff (13%)
- Test equipment (5%)
- Disinfection and cleaning materials (7%)
- Medical services (8%)

- Medium (15%)
- Small (56%)
- Micro (29%)

Both 2020 Social Bonds proceeds supported **28.8 million** people to receive medical care

Both 2020 Social Bonds proceeds supported **83,630** jobs and created **1,404** more



News

CEB appoints Carlo Monticelli as new Governor



At its 229th meeting held on 11 June 2021 by videoconferencing, the Governing Board of the Council of Europe Development Bank (CEB) appointed Mr Carlo Monticelli to the post of Governor, effective from 18 December 2021 for a five-year mandate.

Mr Monticelli, an Italian national, has been serving as CEB Vice-Governor for Financial Strategy since November 2015. In this capacity he contributed to the success of the CEB in responding to the social challenges Europe is facing. He will be succeeding Rolf Wenzel, who joined the Bank as Governor in 2011.



STAMP MARKS CEB ANNIVERSARY

San Marino has launched a new stamp to mark the CEB's 65th anniversary. The stamp, which features a nurse caring for a hospital patient, highlights the CEB's quick response to the emergency healthcare needs of its member states, including San Marino, during the COVID-19 crisis. The new stamp should be widely available by September 2021.

EIB COMMITS ADDITIONAL MRF FUNDING

CEB Governor Rolf Wenzel and Vice-President Lilyana Pavlova of the European Investment Bank (EIB) have signed a €250,000 contribution agreement for the CEB's Migrant and Refugee Fund (MRF). The agreement will support the improvement of living conditions in Bosnia and Herzegovina's refugee camps and centres, and confirms the EIB's status as the second largest contributor to the MRF, after the CEB.

New partnership supports Greek MSMEs

In June the CEB's Governor, Rolf Wenzel, and the President of the Board of the Cooperative Bank of Karditsa Coop. L. L. (CBK), George Boukis, signed a €2 million loan agreement to facilitate access to finance for MSMEs in Greece.

CBK is one of the six cooperative banks in Greece, and the CEB financing will help it to continue to support its business lending activities in Thessaly, Epirus and Central Greece. The COVID-19 pandemic is putting strain on small businesses, the main source of employment in Greece.



Read our latest publications

CEB key corporate publications for 2020 have been made publicly available. They can be downloaded from our website. Visit coebank.org and click on 'all publications'.



ACTIVITY REPORT 2020

This year's Report of the Governor highlights the Bank's sound performance, well in excess of its targets. Some €6.0 billion in loans was approved, 51% more than in 2019 and half of which were dedicated to support the fight against COVID-19.

The report highlights projects approved and delivered in 2020, and there are chapters on the CEB Award for Social Cohesion and on 'Advancing Social Sector Knowledge'.



REPORT ON CEB AND DONORS 2020

The Bank's 2020 Donor Report showcases how the cooperation between the CEB and its donors has helped member states to tackle the challenges of the COVID-19 pandemic. In 2020 a total of €104 million in grants was approved, which may leverage more than €600 million in investments.

The report includes sections on the Regional Housing Programme, the Migrant and Refugee Fund, and on bilateral funds that support sustainable and inclusive growth in member states.



FINANCIAL REPORT 2020

This report for 2020 shows the continuous sound financial performance of the CEB, as well as the quality of its credit profile, which was confirmed by leading international credit rating agencies.

The net profit for the financial year 2020 amounted to €74.8 million. The high volumes of both loans approved and disbursed reflects the Bank's timely, flexible and targeted response to support its members states to tackle the many challenges posed by the pandemic.



SUSTAINABILITY REPORT 2020

During 2020 the CEB's focus on social and sustainable projects became extremely important in the light of the COVID-19 crisis. As a result of the pandemic, the Bank updated its Social Inclusion Bond Framework to include the health sector.

The report provides a range of case studies that showcase the Bank-funded social projects that are fostering sustainability in member states. It also details how the Bank fosters more sustainable and inclusive ways of working within the Bank.

LOOK OUT FOR THE NEXT ISSUE OF **Info** OUT IN SEPTEMBER 2021

Latest CEB loan approvals
Dernières approbations de prêts de la CEB

Some 15 new loans totalling €1 billion were approved by the CEB's Administrative Council in June to support inclusive recovery and strengthen social cohesion in Europe.

15 nouveaux prêts pour un montant total d'un milliard d'euros ont été approuvés par le Conseil d'administration de la CEB en juin afin de soutenir une relance inclusive et de renforcer la cohésion sociale en Europe.

The financing will support healthcare, social infrastructure, heritage, education and energy efficiency projects, and improve access to funding for micro, small and medium-sized enterprises (MSMEs).
Les financements soutiendront les soins de santé, les infrastructures sociales, le patrimoine, l'éducation et des projets d'efficacité énergétique, et amélioreront l'accès au financement des micros, petites et moyennes entreprises (TPE-PME).

1 Albania / Albanie

Loan size: €60 million
Borrower: Government
Aim: To support the country's response to COVID-19 pandemic, including the provision of vaccines
Montant du prêt : 60 millions d'euros
Emprunteur : Gouvernement
Objectif : Soutenir la réponse du pays face à la pandémie de COVID-19, notamment par la fourniture de vaccins.

5 France

Loan size: €21 million
Borrower: SCI Campus Pasteur Lille
Aim: To support ongoing building improvements

Loan size: €20 million
Borrower: SCI Auber
Aim: To fund improvements to campus buildings
Montant du prêt : 21 millions d'euros
Emprunteur : SCI Campus Pasteur Lille
Objectif : Soutenir l'amélioration continue des bâtiments
Montant du prêt : 20 millions d'euros
Emprunteur : SCI Auber
Objectif : Financer l'amélioration des bâtiments du campus

7 Ireland / Irlande

Loan size: €75 million
Borrower: Housing Finance Agency PLC
Aim: To increase the supply of student accommodation
Montant du prêt : 75 millions d'euros
Emprunteur : Housing Finance Agency PLC
Objectif : Accroître l'offre de logements pour étudiants

8 Luxembourg

Loan size: €3 million
Borrower: Redi Economic Development SA
Aim: To improve access to funding for Roma entrepreneurs
Montant du prêt : 3 millions d'euros
Emprunteur : Redi Economic Development SA Redi Economic Development SA
Objectif : Améliorer l'accès au financement pour les entrepreneurs roms.

9 North Macedonia / Macédoine du Nord

Loan size: €1 million
Borrower: Microcredit Foundation Horizonti
Aim: To improve access to finance for MSMEs, Roma and vulnerable groups
Montant du prêt : 1 million d'euros
Emprunteur : Fondation de microcrédit Horizonti
Objectif : Améliorer l'accès au financement pour les TPE-PME, les Roms et les groupes vulnérables.

10 Poland / Pologne

Loan size: €15.6 million
Borrower: Warsaw School of Economics
Aim: To part-finance the campus extension
Montant du prêt : 15,6 millions d'euros
Emprunteur : École d'économie de Varsovie
Objectif : Financer en partie l'extension du campus

11 Portugal

Loan size: €30 million
Borrower: Municipality of Lisbon
Aim: To finance health/COVID-19 expenditure (approved by written procedure)
Montant du prêt : 30 millions d'euros
Emprunteur : Municipalité de Lisbonne
Objectif : Financer les dépenses de santé/ COVID-19 (approuvé par procédure écrite)

12 Romania / Roumanie

Loan size: €216 million
Borrower: Government
Aim: To finance the rehabilitation of historical monuments and cultural buildings
Montant du prêt : 216 millions d'euros
Emprunteur : Gouvernement
Objectif : Financer la réhabilitation de monuments historiques et de bâtiments culturels.

13 Slovak Republic / République slovaque

Loan size: €40 million
Borrower: Žilina self-governing region
Aim: To bridge finance future EU-funded investments in a range of sectors, including transport and education

Loan size: €30 million
Borrower: Trnava self-governing region
Aim: To finance transportation and education infrastructure
Montant du prêt : 40 millions d'euros
Emprunteur : Région autonome de Žilina
Objectif : Assurer le financement relais de futurs investissements financés par l'UE dans une série de secteurs, dont les transports et l'éducation.
Montant du prêt : 30 millions d'euros
Emprunteur : Région autonome de Trnava
Objectif : Financer des infrastructures de transport et d'éducation

Derniers prêts approuvés par la CEB

2 Bosnia and Herzegovina / Bosnie-Herzégovine

Loan size: €4 million
Borrower: Partner Microcredit Foundation
Aim: To finance energy efficiency improvements for homes and MSMEs
Montant du prêt : 4 millions d'euros
Emprunteur : Partner Microcredit Foundation
Objectif : Financer l'amélioration de l'efficacité énergétique des habitations et des TPE-PME.

3 Germany / Allemagne

Loan size: €140 million
Borrower: Investitionsbank des Landes Brandenburg (ILB)
Aim: To support the national COVID-19 vaccination strategy
Montant du prêt : 140 millions d'euros
Emprunteur : Investitionsbank des Landes Brandenburg (ILB)
Objectif : Soutenir la stratégie nationale de vaccination contre le COVID-19.

4 Spain / Espagne

Loan size: €200 million
Borrower: Comunidad de Madrid
Aim: To fund medical supplies and support the region's response to COVID-19 pandemic
Montant du prêt : 200 millions d'euros
Emprunteur : Comunidad de Madrid Comunidad de Madrid
Objectif : Financer des fournitures médicales et soutenir la réponse de la région face à la pandémie de COVID-19.

6 Hungary / Hongrie

Loan size: €152 million
Borrower: Government
Aim: To fund medical supplies and support the country's response to COVID-19 pandemic
Montant du prêt : 152 millions d'euros
Emprunteur : Gouvernement
Objectif : Financer des fournitures médicales et soutenir la réponse du pays face à la pandémie de COVID-19

