

The Refugee Crisis and the Need for Social Investment

Carlo Monticelli

Vice-Governor, Council of Europe Development Bank

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A Crisis of Unprecedented Size and Scope

- **Much larger flows than in the past**
 - Currently, 60 M people are refugees or forcibly displaced, with 42,000 being displaced every day
 - In 2015, over 1 M people (refugees, displaced persons, and other migrants) entered the EU
- **Europe in the midst of a “polycrisis” :**
 - The refugee crisis is taking place in the aftermath of the financial crisis amid strained political systems
 - Core European principles and achievements are being severely tested

No “Silver Bullet” for a Complex Policy Issue

- **The crisis needs to be properly analysed:** causes and effects of (forced) displacement vary
- **The policy response is complex.** The purpose of this seminar is to discuss and assess various views on:
 - Immediate humanitarian reaction
 - Alleviation of the pressure on social infrastructure
 - Mid and long-term integration of refugees
- **There is no single solution:** policies and investments need to be properly combined

Refugees – The Core of the CEB Mandate

- The CEB, established as a Resettlement Fund in 1956, has **longstanding experience** in the field of (forced) displacement
- **The CEB assists member countries (upon request) with:**
 - **Emergency support** financed in the event of crisis situations (refugee sheltering, post-conflict assistance) – MRF
 - **Long term integration projects** aimed at social inclusion (local infrastructure, affordable housing, skills development.) – Adoma
- **Current strategy of the Bank to increase** activities related to refugees, e.g. in Germany

Like any IFI, we are always learning lessons

- **Some of the lessons learned** at project level have proven to be very useful:
 - Propose “tailor-made” solutions
 - Mix financing and capacity building
 - Combine emergency help with development goals
 - Garner adequate political support
 - Partner with key actors involved
 - Ensure project sustainability
- **This refugee crisis** is a chance to address growing social investment needs with a **cross-sectorial approach**

An Investment Focus on Key Social Areas



EDUCATION – In March 2016, € 200 M loan to the City of Paris to finance investment in education infrastructure and to finance the construction and renovation of reception centres for migrants and refugees

HEALTH – In 2014, the CEB provided a € 97 M loan to finance the rehabilitation and expansion of health provider institutions in the FYROM



Promoting a cross-sectorial approach to facilitate integration



SOCIAL HOUSING – In March 2016, € 230 M loan to the investment programme of the Federal State of Hesse (Germany) specifically directed to affordable housing for vulnerable groups (incl. refugees)

JOB CREATION – Investments to support SMEs ranging from a € 6 M loan to microStart (Belgium) in support of microfinance to a € 100 M loan to Türk Exim Bank (Turkey) to finance MSMEs in 2015



Local Challenges Faced by Investment Projects

- **This seminar is an opportunity to share experiences on the diversity of humanitarian needs**
- **The Countries represented here today are all affected very differently**
- **They share two challenges:**
 - they are at the front line to cope with the refugee influx
 - they have to ensure the access to basic public services

“In the coming years, Europe's economic and social model will call for new energy and new ideas from around the world. This is an opportunity, this is not a threat, and the sooner we accept it the better”

(EC President Jean-Claude Juncker)