#1 2018

info

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

THE QUARTERLY MAGAZINE OF THE COUNCIL OF EUROPE DEVELOPMENT BANK



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Supporting inclusive and sustainable cities

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Dear reader,



Improving the living conditions and quality of life of those most in need is what the CEB's activities are all about. To fulfil this mission, we are active in a range of sectors, from housing and public infrastructure to health, education and environmental protection.

Urban zones and municipalities have become an area of particular focus of CEB operations in recent times, not least because they offer considerable opportunity for economic growth, employment and access to services. Hence, creating sustainable cities and communities in our member countries is one of our priority objectives.

Ireland and the Slovak Republic are two such examples, with important infrastructure development projects recently financed by the CEB with the aim of enhancing living conditions and livelihoods in cities and whole regions.

In Ireland, the Bank is contributing to the revitalisation of Limerick centre to help increase the competitiveness of the city and county of Limerick, attract new investments and create new jobs.

In the Slovak Republic, the CEB has been providing financing to MSMEs throughout the country. It has also been working with the self-governing regions of Žilina, Trnava and Trenčín to support public infrastructure modernisation, improve healthcare facilities and rehabilitate their historic and cultural heritage. In the capital Bratislava, the Bank has financed the modernisation of the city's public transport system, while also helping the city to achieve its climate and energy targets in the context of the 'Europe 2020 Strategy'.

Indeed, we are delighted that the Slovak Republic will be hosting the CEB's 2018 Joint Meeting in its vibrant, dynamic capital this summer, and look forward to celebrating Bratislava's remarkable urban development of recent years.

Rolf Wenzel
Governor, CEB



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About the CEB...

Set up in 1956, the CEB (Council of Europe Development Bank) has 41 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.

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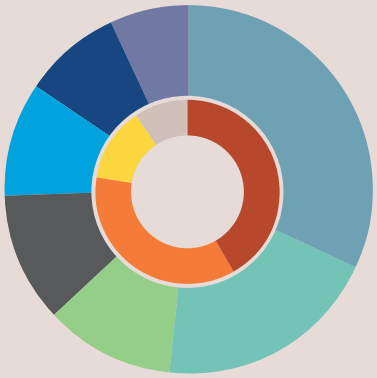


FIND OUT MORE ONLINE **www.coebank.org**

CEB ISSUES EURO AND US DOLLAR BENCHMARKS

On 17th January the CEB launched a successful new €1 billion 10-year benchmark, the CEB's first 10-year euro benchmark transaction since mid-2016. Books opened with a price guidance of mid-swaps minus 12bp area and the closing size of the orderbook was in excess of EUR 1.5bn from 65 accounts. The transaction carries a coupon of 0.750%, a reoffer price of 99.493% and a reoffer yield of 0.803%.

Investor participation



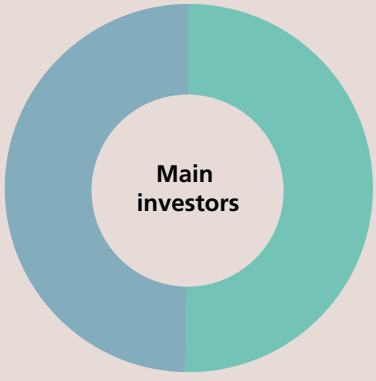
By geography

- France: 32.1%
- Germany: 19.8%
- Italy: 11.4%
- Rest of Europe: 11.3%
- Netherlands: 9.9%
- Asia & Middle East: 8.6%
- UK: 6.9%

By investor type

- Fund managers: 41.8%
- Banks: 35.8%
- Central banks & Other: 13.2%
- Insurance: 9.3%

A few weeks later, on 6th February, the CEB successfully priced a US$1 billion no-grow 5-year Global benchmark, joint lead managed by Goldman Sachs, HSBC, Nomura and TD Securities.
With initial price thoughts of mid-swaps +14bps, the transaction garnered demand from the outset, especially from the Bank Treasury community. Orderbook momentum continued and the new 5-year Global was priced at mid-swaps +11bps (equating to a +21.8bps spread vs the 2.375% UST maturing January 2023) with 65 separate orders.



Bank Treasuries: 42.2% Central Banks: 41.4%

Funding regeneration in Limerick

CEB Governor, Rolf Wenzel, has signed a €85 million loan agreement with Limerick City and County Council to finance a major regeneration programme in the city.

The loan will contribute to Limerick's social development strategy 'Limerick Twenty Thirty', which aims to develop key strategic sites to promote investment development in the region.

The signing, on 17th January, was attended by the Mayor of Limerick, Councillor Stephen Keary, the Minister of State for Public Procurement, Open Government and eGovernment, Patrick O'Donovan, and the Chairman of 'Limerick Twenty Thirty', Denis Brosnan. Signing on behalf of Limerick City and County was Conn Murray, Chief Executive.

"We, at the CEB are convinced that the Opera Site, just like Limerick itself, has enormous transformational potential, and are pleased to be part of this important undertaking."

Governor Wenzel



Governor Wenzel with Ambassador Swing

Bilateral cooperation for migrants

Governor Wenzel has met with the Director General of the International Organization for Migration (IOM), Ambassador William Lacy Swing, to review bilateral co-operation and discussed migrant care in Greece and the Western Balkans.

The two men explored ways of increasing co-operation in migrant destination countries in Europe, where the CEB focuses on infrastructure needs while the IOM concentrates on migrant care, assisted voluntary return and reintegration.

The organisations cooperate within the framework of the CEB's Migrant and Refugee Fund (MRF), and, by the end of 2017, the CEB had approved grants for eighteen projects worth a total of €22 million through the MRF. Of these, six projects aimed at meeting the emergency needs of the migrants who arrived in 2015, and which were implemented through the IOM, have now been completed. Four projects with the IOM continue, and are providing accommodation and protection to the most vulnerable migrants.

Financing Serbian health and housing

In late January the CEB's Vice-Governor for Financial Strategy, Carlo Monticelli, signed two grant agreements between the CEB and Serbia.

The first was for the Regional Housing Programme (RHP). The CEB is providing €18 million to finance durable housing for 1,000 of the most vulnerable refugee families in Serbia.

Jadranka Joksimović, Minister of European Integration, signed on behalf of Serbia, and the signing took place at an EU-Serbia conference on 'Investments, growth and job creation'. The President of the European Parliament, Antonio Tajani, who attended, said that the EU had pledged over €230 million in contributions to the RHP, which, in Serbia alone, is expected to provide over 6,000 vulnerable refugee families with access to durable housing.

The second grant agreement signed by the Vice-Governor was for €250,000 and will finance technical and contractual preparation activities for the construction of the new Tiršova Children's Hospital.



Tirsova Hospital signing in Belgrade

€18 million provided by the CEB to finance durable housing for 1,000 refugee families in Serbia.

New papers highlight inequality

Europe has seen inequality increase in recent years, both among countries and within individual countries. A new series of papers on inequality in Europe, published by the CEB, looks at how inequality manifests itself, and considers ways of tackling it, particularly through social investment.

The series, available online, includes an introduction to inequality in terms of income, while two others look at inequalities in education and in the housing sector.

KEY FINDINGS INCLUDE:

- On average, Europeans in the top 20% of income distribution have five times more of the national income than those in the bottom 20%.
- Southern and Central-Eastern Europe are the most unequal regions.
- Income mobility has declined, with those in the bottom 40% less likely to move out of their socio-economic group than they were in 2008.

To download this new series of papers visit coebank.org/en/news-and-publications/ceb-publications/

New homes for RHP beneficiaries

Some 235 Regional Housing Programme (RHP) beneficiary families (652 people) have received the keys to new apartments in Ovča, Belgrade. Four buildings have been constructed at the Ovča site at a cost of €6.9 million and are part of a larger social housing/urban development programme undertaken by the City of Belgrade.

The RHP Fund contribution of €11 million is complemented by a considerable national contribution of over €4 million. In addition to the apartments in Ovča, it includes the purchase of 69 village houses, the delivery of over 300 building material packages and the construction of 49 pre-fabricated houses.

Aleksandra Stijelja, fled from Croatia with her family in August 1995, and has been living in Serbia in rented apartments for the last 23 years. She said, "These keys mean a new, and hopefully, good beginning for me."



The Kalinić family in their newly constructed RHP building in Ovča

© regionalhousingprogramme.org

PAGES 14-15 THE LIMERICK STORY AND PROFILE OF CONN MURRAY, CE OF LIMERICK CITY AND COUNTY COUNCIL

Latest CEB loan approvals

In the first financial quarter of 2018, the CEB's Administrative Council has approved 14 new loans ranging from €2.5 million to €300 million.

NETHERLANDS

Loan size: €100 million
Borrower: National Energy Saving Fund Foundation
Aims: To finance improvements in energy efficiency for residential properties.

Loan size: €300 million
Borrower: Nederlandse Waterschapsbank NV
Aims: To fund the building/modernisation of infrastructure and social housing.



NETHERLANDS

GERMANY

GERMANY

Loan size: €50 million
Borrower: Investitions- und Förderbank Niedersachsen (NBank)
Aims: To support urban and rural development in Lower Saxony.





SPAIN

SPAIN

Loan size: €100 million
Borrower: Nuevo MicroBank
Aims: To support MSMEs and entrepreneurs with limited access to financing.

ITALY

Loan size: €290 million
Borrower: Cassa Depositi e Prestiti
Aims: To enable MSMEs to access finance for investment.

ITALY

These loans will support a range of projects, from enabling MSMEs to access finance, to promoting energy efficiency.

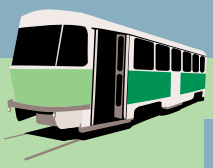
FINLAND

Loan size: €50 million
Borrower: City of Turku
Aims: To improve Turku's infrastructure and enhance living conditions for a wide range of people.

CZECH REPUBLIC

Loan size: €100 million
Borrower: Unicredit Leasing CZ
Aims: To support investment in MSMEs as well as public infrastructure upgrades.

Loan size: €100 million
Borrower: SG Equipment Finance Czech Republic
Aims: To finance the productive investments of MSMEs and to support public infrastructure projects.



LITHUANIA



Loan size: €15 million
Borrower: Šiaulių bankas
Aims: To finance municipal investments across the country, with a focus on energy efficiency.

HUNGARY

Loan size: €92 million
Borrower: Government of Hungary
Aims: To part-finance the renovation and expansion of the university facilities in Budapest and Pecs.

Loan size: €75 million
Borrower: Hungarian Development Bank
Aims: To support projects in different regions, including providing student loans.

SERBIA

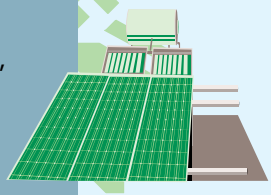


Loan size: €20 million
Borrower: Raiffeisen Leasing Serbia
Aims: To channel financing to MSMEs.

Loan size: €30 million
Borrower: ProCredit Bank Serbia
Aims: To benefit MSMEs, who often can only use leasing to finance their investments.

BOSNIA AND HERZEGOVINA

Loan size: €2.5 million
Borrower: Partner Microcredit Foundation
Aims: To enable low-income households, small businesses and farmers to make their homes and businesses more energy efficient.



Building trust and professionalism



In 2018 we celebrate ten years of compliance function at the CEB. To mark the occasion, Info met with Chief Compliance Officer, Katherine Delikoura, to discuss the major achievements of the Office of the Chief Compliance Officer (OCCO).

The spate of financial scandals and huge regulatory fines that shook the world's global markets in the mid-2000s revealed the need to tighten the compliance of financial instructions with rules and regulations. Therefore, the Basel Committee redefined the role of the banks towards society and created a separate and independent compliance function.

"If the banking game is not played correctly," says Katherine Delikoura, "the consequences of non-compliance with the rules are far more important than financial risks and losses. It's all about losing trust and bearing high reputational risks, which one cannot easily measure in monetary terms.

"What Basel II and III did was to remind us how important it is for our own existence that banks adhere to the rules. If not, there is a risk that the banking system would experience systemic risks and lose trust. Trust is essential for the banking system and so is compliance."

The role of the OCCO

Aligned with the principles set out by the Basel Committee, the Office of the Chief Compliance Officer (OCCO) at the CEB has a range of priorities:

- to fight money laundering and the financing of terrorism
- to combat fraud and corruption
- to apply ethical rules of behaviour in accordance with the CEB's principles and good governance
- to promote the CEB's strong commitment to a proper compliance culture by raising awareness and providing training and communication.

The OCCO is headed by the Chief Compliance Officer (CCO), and in line with best banking practice and the Basel Committee, OCCO is an independent function reporting directly to the Governor.

"While we are a self-regulated institution, we adhere to the best international practices and we are thoroughly scrutinised by internal and external auditors, the shareholders and the investors. We cannot afford anything but the best practices and rules, and this is what we constantly do," says Delikoura.



"We abide by the internal values of the CEB which are transparency, cooperation, creativity, professionalism and commitment. Professionalism is one of our core principles."

Katherine Delikoura, Chief Compliance Officer, CEB

Making changes

When Katherine Delikoura joined the CEB five years ago from the private sector, one of the first things she undertook in her new role was to identify the gaps relating to integrity policies.

"We had a set of basic rules and regulations in place but we were lacking an upgrade in understanding, assessing and managing the financial and reputational risks of non-compliance. OCCO's contribution to the organisation was to perform a gap analysis to assess where we were falling behind among our peers and to keep the Office up to high international professional standards. Through the analysis we identified some policy gaps, all of them filled today," she says.

This led to the creation of three major policies in the last five years: non-compliant jurisdictions; the whistleblowing rule; and protecting dignity at work. Regarding information security, the OCCO radically

PAGE 17 THE CEB HAS JUST PUBLISHED ITS LATEST CORPORATE REPORTS. VISIT COEBANK.ORG



"We would like to create an environment of trust, compliance and openness, which also safeguards the Bank's values."

revamped the existing master policy to create a new, up-to-date one, as well as clear rules for administrators and users.

Key initiatives

In the last five years, the OCCO has focused its efforts on digitalising work and providing the Bank and its employees with an 'open door' advising profile, as well as on teaming up with European IFIs and increasing visibility of the compliance function. It has delivered comprehensive procedures, plus completed and modernised internal forms.

In the same spirit, the OCCO has launched an anti-money laundering, terrorist financing and tax compliance platform. This enables it to run risk assessment campaigns and produce statistics on the CEB's overall portfolio risk pertaining to sovereign, quasi sovereign and financial institutions, either for counterparties or projects.

Each year the Governor gives a clear mandate for the coming year, establishing a strong tone from the top, which is further reinforced through monthly meetings.

"I feel confident saying that we have gone beyond the basics and provided the institution with a policy spectrum which does not fall behind other European peer organisations," says Katherine Delikoura.

The implementation of this reform master plan would not have been possible without a committed and dedicated – albeit quite small – team.

"We put people first," says Delikoura. "We are now a team of four and we strongly encourage young graduates to gain experience from an IFI. The team focuses on professional management of the financial and reputational risks, as well as on a proactive risk approach for the future of the CEB."

The CEB and compliance

The OCCO is committed to achieving the highest standards of integrity and transparency in the conduct of all the CEB's activities.

Its mission is to protect the integrity and reputation of the Bank with an emphasis on pre-investment screening as a means of managing integrity risks.

The OCCO is responsible for the development and maintenance of policies and procedures aimed at anti-money laundering and countering the financing of terrorism (AML/CFT), and for investigating cases of fraud, corruption or misconduct, both within the CEB as well as in CEB-financed projects.

It plays an important advisory role to the CEB management and CEB Directorates by continuously identifying, assessing and monitoring integrity risks arising from the failure to comply with compliance standards and policies.

Recent achievements

Policy making
(Non-compliant/Uncooperative Jurisdictions policy, Whistleblowing policy, Codes of Conduct Complementary Rules for Ethics etc.)

Creating AML/CFT risk assessment systems

Upgrade of internal procurement procedures
enhancing OCCO internal procedures and forms

Establishing an internal training programme
with compulsory induction courses and AML/CFT dedicated training

Organising integrity and business ethics events
with other international financial institutions to boost the CEB's visibility.

A city on the move

Over the last five years, the City of Bratislava has been investing in its public transport infrastructure, with support from the CEB. The results have helped to ease a number of infrastructure challenges in this booming city.



© Juraj Praženka

The economy of the Slovak Republic is one of the fastest growing in Europe, and its capital city, Bratislava, in the south west of the country, is the country's wealthiest and most important economic area. The political, cultural, and economic centre, Bratislava is the seat of the Republic's president, parliament, and executive. It is home to several universities plus other important cultural and educational institutions.

Bratislava accounts for a quarter of the Slovak Republic's GDP, which is mostly generated by the tourism, trade and IT sectors, as well as banking and industry. This thriving city has over 660,000 inhabitants plus an additional 130,000 people commute into the city from the surrounding areas each day.

However, as Bratislava has boomed, the city's ageing regional and city transport infrastructure has creaked under the pressure. The city and regional authorities, keen to promote more even social and economic growth in the city and its surrounding regions, and needing to meet EU environmental targets, began to plan a multi-sectoral programme of improvements.

Support from the CEB

In September 2014 the CEB signed a loan to the City of Bratislava worth €40 million to improve Bratislava's transport networks and living conditions. The project also aimed to protect the urban environment.

The majority (70%) of the CEB loan was used to finance roads and public transport infrastructure, while the remaining 30% went towards environmental protection – namely the introduction of cleaner, new, energy efficient modes of transport.

CEB financing was used across a range of projects, including those outlined right.

continued on page 12

"CEB funded projects are a part of a larger investment plan to improve public transportation in Bratislava. It is a must to make public transportation attractive to inhabitants and commuters if the city does not want to collapse and crumble under heavy traffic."

Ján Matuška, CEB Country Manager for the Slovak Republic





Improving Bratislava's transport networks and living conditions

Loan size: €40 million
Borrower: Capital City of Bratislava
Signed in: September 2014

PROJECT: BRATISLAVA TRANSPORT COMPANY

The vast majority of the CEB loan (72%) was used to co-finance the renewal of the city's fleet of trolleybuses with 120 new vehicles plus 15 one-way and 30 two-way trams. It also co-financed the 'Bratislava City Card' project. The new vehicles provide a better quality, more reliable and comfortable public transport solution, with access for wheelchair users, air conditioning, modern information systems and CCTV. Two maintenance depots were also reconstructed and upgraded within this project so these new vehicles could be properly and safely maintained.



PROJECT: SUPPORTING THE URBAN PUBLIC TRANSPORT SYSTEM

This project involved reconstructing the Starý most ('Old Bridge' in English) across the River Danube. The 460-metre-long bridge had been a vital connection between the centre of Bratislava and the Petržalka district, the most populous residential area of the city. However, it had been closed to all traffic since 2010. Once reconstructed, in December 2015, it was opened to pedestrians, bicycles and trams, making it a carless – and therefore – safer, quieter, cleaner and faster commuting option.



continued from page11



Far-reaching benefits

Now complete, this programme of work has helped to put Bratislava's public transport system closer to other cities in the more developed economies of the EU.

As a participant in the 'Europe 2020 Strategy' for smart, sustainable and inclusive growth put forward by the European Commission, this initiative is also helping Slovakia to contribute towards achieving the climate/energy target of reducing greenhouse gas emissions by 30%.

Further investments in the capacity, quality, coverage and accessibility of the public transportation are the only way to cope with the fast growing inflow of people."

Ján Matuška, CEB Country Manager for the Slovak Republic

Promoting a cou the path to grow



SLOVAK REPUBLIC

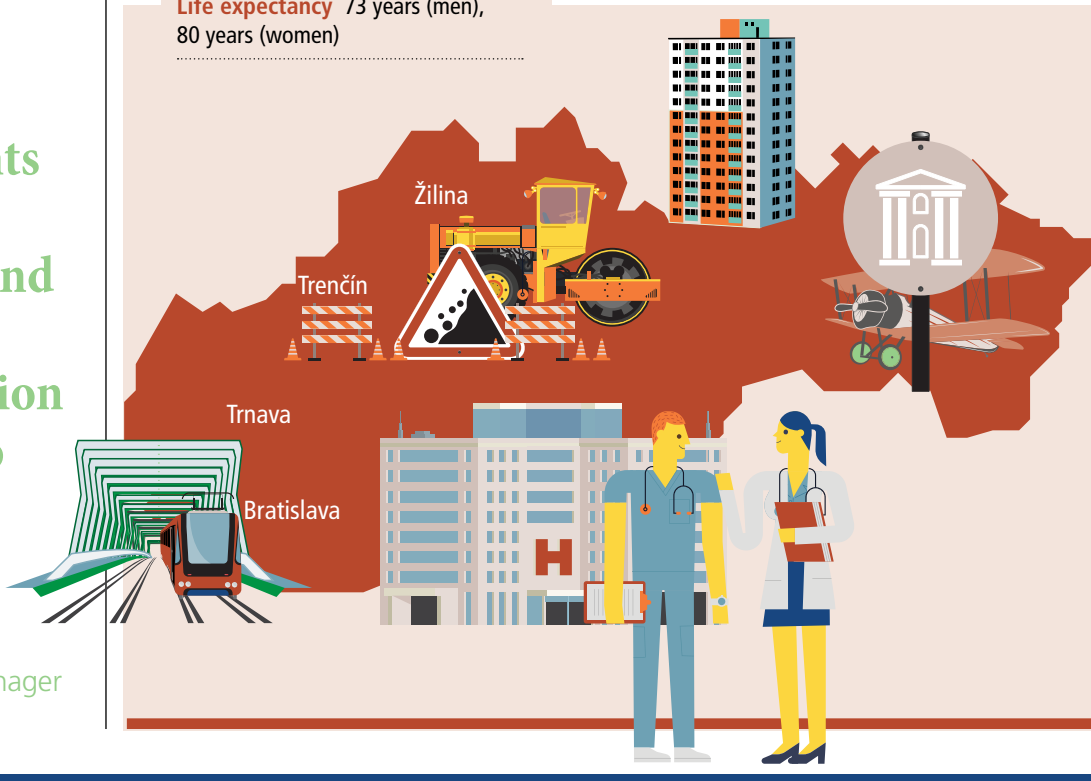
Capital Bratislava

Population 5.42 million (in 2016)

GDP per capita PPP (USD) 27,690

Area 49,036 sq km

Life expectancy 73 years (men), 80 years (women)



PAGE 10 DISCOVER HOW CEB FUNDING IS HELPING THE SLOVAK REPUBLIC'S CAPITAL, BRATISLAVA, ENHANCE ITS

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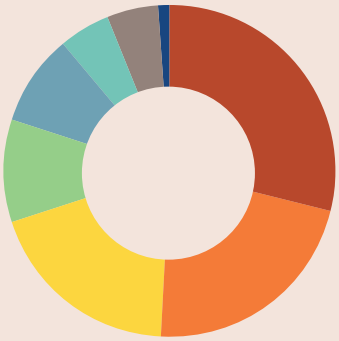
SLOVAKIA AND THE CEB

1998
Slovakia joins the CEB

23
Loan requests approved

€1.2 billion
Sum of loans approved

PROJECTS APPROVED BY SECTOR



- Urban and rural modernisation - 29%
- Protection of the environment - 22%
- Creation and preservation of viable jobs - 19%
- Social housing for low-income persons - 10%
- Education and vocational training - 9%
- Natural or ecological disasters - 5%
- Health - 5%
- Historic and cultural heritage - 1%

PUBLIC TRANSPORT SYSTEM

The Slovak Republic is widely regarded as one of Europe's biggest success stories. As it hosts the CEB's annual meeting this year, we focus on this country of nearly 5.5 million people.

Although it is widely regarded as one of Europe's biggest success stories, with a strong and dynamic economy, it does have notable regional differences in income, unemployment and infrastructure.

Promoting modernization

Since 2015, the CEB has been working with the self-governing regions of Žilina, Trnava and Trenčín to provide long- and short-term financing to support them on the road to modernisation. CEB funds are being used to modernise their public infrastructure as well as their healthcare facilities, to support environmental protection projects as well as those aimed at rehabilitating Slovakia's historic and cultural heritage.

An important CEB donor

Slovakia is a donor to the CEB, and, in 2016, set up the Slovak Inclusive Growth Account (SIGA) to support the CEB's goal of inclusive growth and environmental sustainability. The SIGA is currently funding a feasibility study for the Tirsova hospital in Serbia (see 'CEB Vice-Governor signs grant agreements in Serbia', page 05).

Supporting MSMEs

Unemployment is a major challenge for Slovakia. Micro, small and medium-sized enterprises (MSMEs) in the country employ more than half of Slovakia's total workforce. A number of CEB loans are facilitating access to funding for this vital part of the economy, helping to create and preserve jobs.

Latest CEB loan approvals in Slovakia

- 2016: €20 million to CSOB bank to support MSMEs to create and preserve jobs
- 2017: €12 million to the Trnava self-governing region for infrastructure support to facilitate more balanced regional development
- 2017: €100 million to UniCredit Leasing Slovakia to support MSMEs and public service providers

Breathing life into the heart of Limerick

Limerick, Ireland's third largest city, is implementing an urban development scheme to bring back business and people to its centre. An €85 million CEB loan to Limerick City and County Council will finance much of this transformation.

This ambitious urban regeneration project is being co-financed by the CEB and the European Investment Bank, and aims to contribute to the sustainable development of the city while strengthening social cohesion and boosting job creation. The loan will contribute to Limerick's social development strategy 'Limerick 2030', which aims to develop key strategic sites in Limerick city and county to position the region among the top European destinations to invest, work and live in.

Preserving a unique heritage

CEB funds, which are being provided in the form of a cross-sectoral loan (CSL), will be used to develop one of four key locations, the Opera site, which will provide 50,000 m2 of modern office space (enough for 3,000 workers) as well as cultural facilities, retail space and a new public square. The restoration and reuse of historical buildings on the site, north of Limerick's commercial centre, will help to preserve the city's unique Georgian architectural heritage.

Driving innovation and growth

The loan agreement was officially signed on 17th January by CEB Governor, Rolf Wenzel and by Conn Murray, Chief Executive of Limerick City and County Council. Speaking at the signing, Governor Wenzel said, "The project we are financing is expected to have substantial benefits for Limerick and its people. It will attract new industries and employers and create many new jobs in one of Ireland's largest cities and main drivers of innovation and economic growth. The CEB strongly believes in supporting local communities in line with its social mandate and is ready to finance other similar projects here and in other parts of the country."

In context

More than €600 million has been approved in loans to Ireland over the last couple of years. This includes financing a €150 million facility for the Housing Finance Agency to enable local authorities throughout Ireland to retrofit existing social housing units and to construct new, energy-efficient social housing.

CROSS-SECTORAL LOANS: A FLEXIBLE FORM OF FINANCE

- The CSL is the most recent financial instrument developed by the CEB.
- It offers greater flexibility to public authorities to finance social infrastructure in overlapping sectors.
- Flexibility is helpful for smaller municipalities and is a good match for urban renewal projects that include many interdependent components.
- In 2017, the CEB approved €154 million in cross-sectoral loans to cities and regions.



Creating a world-class destination for investment

Info recently met with Limerick City and County Council Chief Executive, Conn Murray, to discuss the €85million loan provided for the development of a strategic site in this resurgent city that has got everyone talking.

info: What is the vision behind Limerick Twenty Thirty?
CM: Limerick Twenty Thirty was established by our local authority, Limerick City and County Council, to accelerate the transformation of this proud city and region into a world-class destination for inward investment.

The global economic crisis of the last decade was exaggerated in Limerick by the loss of thousands of manufacturing jobs and, as a result, a number of very significant planned commercial developments stalled across the city. The local authority acquired these sites and created Limerick Twenty Thirty - a special purpose vehicle - to develop them so that they can deliver on their potential and trigger major investment locally.

info: How is this ambitious strategy going to better the lives of all Limerick's citizens?
CM: The social dividend from this will be huge, with an estimated 5,000 jobs to be created across these sites by the middle of the next decade, triggering a city and region-wide social benefit through additional jobs and investment. The spin-off from this will be enormous. While our strategy is ambitious, it is well grounded. We are already getting huge interest from investors in our projects, for a variety of reasons. They are interested in investing here because we are developing to the highest international standard, the LEED Gold standard, and also because of our competitiveness - the most competitive English speaking city in the EU post Brexit. It's a city just 20 minutes from an international airport, with outstanding schools and third level institutions, including a university, and a Tier 1 port.

info: CEB and Limerick recently signed a loan agreement worth €85 million for the transformation of the Opera Site in the city centre. What is the significance of this site?
CM: Of the sites that will be developed by Limerick Twenty Thirty, the Opera Site will be the single biggest catalyst for transforming our city. It will be the heartbeat of the city centre itself, with 3,000 people working here at full occupancy. It will be much more than an employment hub; it will transform into a bustling night-time destination complete with restaurants, bars and open entertainment spaces. The design will also be entirely complementary to, and protect, the rich Georgian architecture on the site.



"Our collaboration with the CEB has been a fantastic journey from the outset. The CEB has an exclusively social mandate and we immediately recognised that as a perfect fit."
Conn Murray

CONN MURRAY

Has worked in nine different local authorities in Ireland, including Clonmel, Limerick City and Cork City

Chief Executive of Limerick City and County Council since August 2012

Became Manager of Louth County Council in 2007

Appointed City Manager of Waterford in 2003

info: What would be your advice to other cities and municipalities on securing funds for vital investments from European financial institutions such as the CEB? How would you evaluate the collaboration with the CEB so far?
CM: Our advice would simply be to go for it. Limerick is the first city in Ireland to win this level of European investment and credit to our councillors and local authority for having the conviction to go there in the first instance. Limerick is a relatively small city in European terms but one with loads of character and certainly not one to shy away from making big and ambitious asks.

Our collaboration with the CEB has been a fantastic journey from the outset. The CEB has an exclusively social mandate and we immediately recognised that as a perfect fit, aligned to what we are aiming to do in bringing this great old city to a whole new level, and creating a future of opportunity for all its citizens.

Flexible financing for local investment

The CEB supports local communities through direct and on-lending operations, filling funding gaps and supporting the successful implementation of socially oriented investments.

Creating a more attractive, inclusive and sustainable living environment is key to improving the conditions and quality of urban life. It also helps to establish a more dynamic local economic base, spurring stronger social and cultural identities and supporting thriving communities.

The CEB finances a wide range of bankable projects through a variety of financing instruments that provide flexibility to its borrowers and best address their needs. This makes it an attractive partner for cities and municipalities looking to diversify sources of funding for their public investments.

Alongside its project and programme loans, the CEB offers the following instruments, which are particularly suitable to municipalities.

Cross-sectoral loan (CSL)

The CSL provides flexibility in the use of funds for all purposes – a significant advantage, especially for smaller municipalities. This type of loan is a great match for urban renewal projects with many interdependent components that are not easily boxed into neatly defined sectors.

EU Co-financing facility (ECF)

ECF loans allow for co-financing and/or ex-ante financing of EU-funded investment activities. They are developed in conjunction with different EU financing instruments, directly supporting current EU objectives and facilitating the better absorption of EU funds in the CEB's priority sectors.



Public sector financing facility (PFF)

The PFF is a financing instrument for maintaining the viability and sustainability of social investment programmes that are faced with a lack of funding over time. PFF loans cover temporary financing gaps in the public sector and support the continuation of investments and reform programmes, particularly in the areas of high social relevance.

How to apply for CEB financing

A loan application should include the following preliminary information:

- A brief description of the project and its sustainability
- The project's financial aspects (for example, loan amount, estimated project cost, financing plan) and its implementation schedule
- The borrower's profile and general information

To find out more about how we work with cities, download our Investing for Inclusive Cities brochure at coebank.org. Click on news and publications.

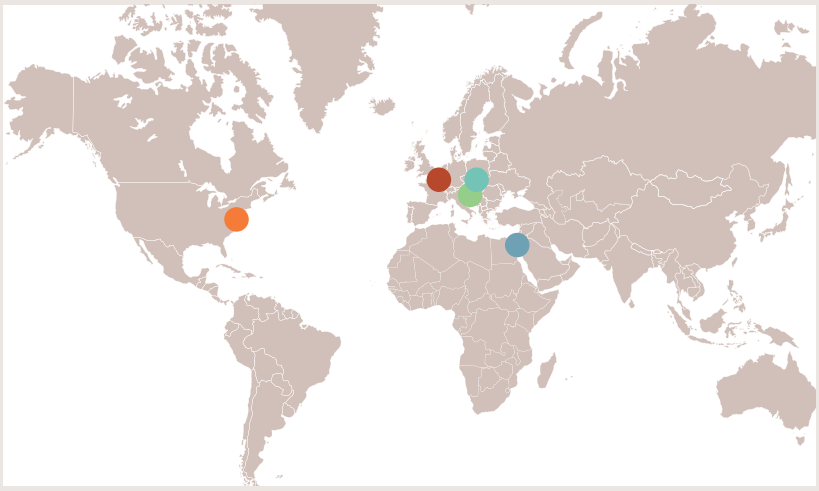
More than financing

The expertise of the CEB's workforce goes beyond the traditional banking areas of finance to include project management, civil engineering, education, health and housing expertise. This ensures that both a project's structure and its financing closely match the client's requirements. As well as providing technical and project management support throughout the project cycle, the CEB addresses client needs rapidly and proactively, becoming an invaluable long-term partner for clients.

PAGE 14 HOW A CSL IS ENABLING THE CITY OF LIMERICK TO DEVELOP A KEY STRATEGIC SITE

What's on April to June 2018

Find out more about forthcoming meetings at the CEB and beyond.



20th-22nd April, Washington DC, USA

Spring meetings of the World Bank Group and International Monetary Fund

These meetings will see leading academics, finance figures and policy makers come together to discuss the world economic outlook, poverty eradication and economic development.

More at: http://www.imf.org/external/spring/2018/

8th-10th May, Dead Sea, Jordan

Annual meeting of the European Bank for Reconstruction and Development

The theme of the 27th Annual Meeting and Business Forum of the EBRD is 'Energising Economies'.

More at: http://www.ebrd.com/news/events/ebrd-2018-annual-meeting-and-business-forum.html

5th-6th June, Brussels, Belgium

European Development Days

Europe's leading forum for development and international cooperation aims to bring together the EU's commitment to gender equality and women's empowerment with the 2030 Agenda for Sustainable Development.

More at https://eeas.europa.eu/sites/eeas/files/european_development_days.pdf

6th June, Croatia

Assembly of donors of the Regional Housing Programme (RHP)

These quarterly meetings provide an update to donors on the latest developments in RHP implementation.

15th June, Bratislava, Slovakia

CEB Joint Meeting

Members of the Bank's Governing Board, Administrative Council and senior management will meet for the 53rd annual Joint Meeting of the CEB.

LOOK OUT FOR THE NEXT ISSUE OF **info** OUT IN JUNE

Read our latest publications

All CEB publications can be downloaded from our website. Visit coebank.org and click on news and publications.



REPORT OF THE GOVERNOR 2017

A summary of the Bank's year, including the status of projects and partnerships.



CORPORATE SOCIAL RESPONSIBILITY REPORT 2017

An update on the CEB's commitment to, and successes in, CSR.



FINANCIAL REPORT 2017

The CEB's financial statements for 2017.



CEB AND DONORS REPORT FOR 2017

How donors have been supporting the Bank's social mandate in the past 12 months.

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Supporting cities to thrive
Aider les villes à prospérer

Over the past decade the CEB has approved loans to 21 different cities in Europe, totalling €1.6 billion, for use in education, infrastructure and housing projects.

Au cours des dix dernières années, la CEB a accordé des prêts à 21 villes européennes pour un montant total de € 1,6 milliard, destinés à des projets portant sur l'éducation, les infrastructures ou le logement.



FINLAND FINLANDE

€410 MILLION MILLIONS

The cities of Helsinki, Vantaa, Espoo and Tampere have benefitted from CEB loans for projects ranging from building social housing to creating modern schools.

Les villes d'Helsinki, de Vantaa, d'Espoo et de Tampere ont bénéficié de prêts de la CEB en faveur de projets portant aussi bien sur la construction de logements sociaux que sur la conception d'écoles modernes.

SWEDEN SUÈDE

€360 MILLION MILLIONS

Malmö and Gothenburg have received CEB funding for the construction and refurbishment of new and existing schools.

Les villes de Malmö et de Göteborg ont bénéficié de financements de la CEB pour la construction et la rénovation d'écoles.

POLAND POLOGNE

€451 MILLION MILLIONS

CEB has provided funding to the cities of Kraków, Warsaw, Szczecin, Gdańsk, Katowice, Lublin and Łódź for various projects, including those to improve living conditions and infrastructure.

La CEB a accordé des prêts aux villes de Cracovie, de Varsovie, de Szczecin, de Gdańsk, de Katowice, de Lublin et de Łódź dans le cadre de différents projets, qui visent notamment à améliorer les conditions de vie et les infrastructures.

FRANCE

€200 MILLION MILLIONS

The CEB has granted a loan to the Ville de Paris to support refugees and provide education services.

La CEB a accordé un prêt à la ville de Paris pour soutenir l'accueil des réfugiés et assurer des services d'éducation.

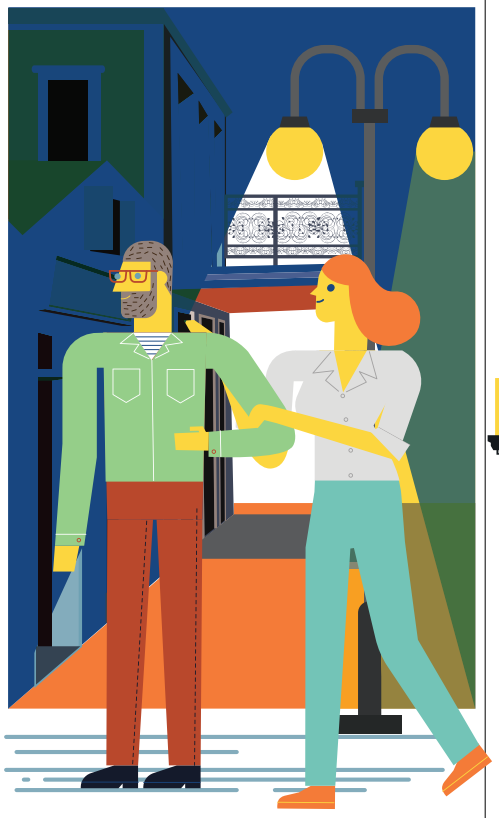
Smaller loans have also been made to Limerick in Ireland (see page 14), Bratislava in the Slovak Republic (see page 10), to Nicosia in Cyprus and to Vilnius in Lithuania.

Des prêts de moindre envergure ont également été consentis à Limerick, en Irlande (page 14), à Bratislava, en République slovaque (page 10), à Nicosie, à Chypre, ainsi qu'à Vilnius, en Lituanie.

Investing in Europe's cities
Investir dans les villes d'Europe

CEB funds are financing upgrades to lighting, streets and building facades in Nicosia, Cyprus, attracting people and businesses back into older parts of the city.

À Chypre, la CEB finance des projets de revitalisation (amélioration de l'éclairage, réaménagement des rues et restauration de façades d'immeubles) à Nicosie, afin de faire revenir les habitants et les entreprises dans les vieux quartiers de la ville.





A CEB loan is part-financing the construction of new schools and day centres in Espoo, Finland, directly benefitting more than 7,500 children.

Un prêt de la CEB finance en partie la construction d'écoles et de centres d'accueil à Espoo, en Finlande, plus de 7 500 enfants étant concernés.

A €50 million CEB loan to the City of Łódź is part financing the flagship EC1 project, converting a redundant power plant into public cultural and artistic spaces.

Un prêt de 50 millions d'euros de la CEB à la ville de Łódź finance en partie le projet phare EC1, en transformant une centrale redondante en espaces publics culturels et artistiques.

The city of Gothenburg in Sweden is using CEB funding to finance a major construction and renovation project of its schools, enhancing their capacity to integrate migrants.

En Suède, la ville de Göteborg utilise les fonds de la CEB pour financer un important projet de construction et de rénovation d'établissements scolaires, ce qui facilitera l'intégration des migrants.

