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

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Dear reader,



On a recent official visit to Montenegro, I had the chance to see first-hand the huge difference that access to housing can make to the lives of people, particularly families with children.

Indeed, decent and affordable housing is not only a precondition for an adequate standard of living but above all it is a universal human right. Despite its importance, rising income inequalities have made affordable housing a real challenge for thousands of people in Europe, with vulnerable groups hit the hardest.

For the CEB, the financing of housing is one of its priority areas of operation across its member countries. Our efforts are mainly directed towards low-income families, displaced persons, migrants and refugees, and persons with disabilities.

In this issue of **Info**, you will find more information on recent CEB-financed projects in the social housing sector. For example, the '1000-plus' housing programme in Montenegro, which has provided more than 800 low-income households with a home and will continue to do so until 2020. Or our partnership with Adoma in France to finance emergency accommodation and reception facilities for asylum-seekers, migrants and other vulnerable persons.

In the years to come, housing will remain a top priority for us as part of our ongoing efforts to promote social cohesion and raise the living standards of Europeans.

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 **https://coebank.org**

CEB RETAINS EXCELLENT RATINGS

Fitch Ratings and Standard and Poor's (S&P) affirmed the CEB's long term issuer ratings at AA+, with a 'stable' and 'positive' outlook, respectively. Moody's also affirmed the Bank's long-term issuer rating at Aa1, with a stable outlook. The CEB's credit quality is one of the strongest among long-term issuers.

JOINING FORCES FOR RESILIENCE

The CEB has signed a Memorandum of Understanding with '100 Resilient Cities – Pioneered by The Rockefeller Foundation' (100RC) to support eligible cities in the 100RC network to better prepare for, and respond to shocks such as natural disasters, as well as chronic stresses such as water shortages, homelessness, and unemployment. The Bank will provide technical assistance and direct funding for appropriate projects, and contribute to innovative finance solutions.

NEW DECEMBER 2021 BENCHMARK ISSUANCE

The start of August saw the CEB mark a successful return to the Sterling market with a £300m December 2021 benchmark, its first outing in the currency since October 2017. Demand from over 25 investors enabled the Bank to upsize the transaction from a £250m starting size.



SUPPORTING PROJECTS IN POLAND

In mid-September, Governor Wenzel visited Poland where he signed a €186 million framework loan agreement with Bank Gospodarstwa Krajowego (BGK) to finance a new rental-based social housing programme. He also visited the region of Podlachia, signing a €67 million agreement to finance social investments in public infrastructure.

More on all these stories at https://coebank.org/en/news-and-publications/news/



Vice-Governor Rosa Sánchez-Yebra (centre)

Accommodating new migrants and refugees in Bosnia and Herzegovina

Late July saw the CEB's Vice Governor, Rosa Sánchez-Yebra, sign an agreement for a €1 million grant from the CEB's Migrant and Refugee Fund (MRF) to help Bosnia and Herzegovina cope with a fresh increase in migrants and refugees entering the country.

The MRF grant will fund the refurbishment and equipment of existing buildings at the Ušivak facility in Hadzici, and procure sleeping containers, bedding and sanitary units for some 400 people.

The International Organization for Migration's Chief of Mission in Bosnia and Herzegovina, Peter Van der Auweraert, said, "The creation of the Ušivak reception centre will not only respond to [people's] basic needs but also create a space where migrants and refugees can have access to a number of other services, such as psychosocial counselling, legal aid and access to asylum."

Vice-Governor Sánchez-Yebra said, "This MRF grant extended to IOM will constitute a critical element in expanding the reception capacity for migrants and refugees in Bosnia and Herzegovina and we hope it will encourage other international and local actors to provide services and assistance."

The Special Representative of the Secretary General on Migration and Refugees (SRSG), Ambassador Tomáš Boček, also commended the role played by the CEB in complementing the Council of Europe's activities on protecting refugee and migrant children.



CEB Governor, Wolf Wenzel paid an official visit to Liechtenstein on 9th July and met with the Deputy Prime Minister, Daniel Risch, and the Minister for Foreign Affairs, Aurelia Frick

PAGE 06 SEE THE LATEST LOANS APPROVED BY THE CEB

Governor Wenzel visits Serbia and Montenegro

Early October saw Governor Wenzel visiting Serbia and Montenegro to meet with senior government officials and visit key projects. In Serbia the Governor had talks with the Prime Minister, Ana Brnabić, (pictured below) before opening healthcare and judiciary projects co-financed by the CEB. Governor Wenzel also visited new residents of a flagship project funded by the Regional Housing Programme (RHP) in Ovca.



In Montenegro Governor Wenzel met with senior government officials before visiting a major RHP project in Konik. The Governor also spent time with a beneficiary family of a CEB-financed social housing project – the '1000-plus affordable housing programme' – in their new home. The programme provides subsidised mortgage loans to vulnerable, low-to-medium-income households, helping them to access affordable permanent housing.

See page 14 for more about the '1000-plus' project



Governor Wenzel (far left) in a panel discussion

Reflecting on inclusive growth

In early September CEB Governor Rolf Wenzel took part in discussions about the future of the global economic order at the Dialogue of Continents Forum, organised by The Reinventing Bretton Woods Committee and the Hamburg Institute of International Economics.

Governor Wenzel joined with international politicians and experts, including Romano Prodi (former Prime Minister of Italy) and Aleksander Kwasniewski (Former President of Poland), to discuss 'Policy options for inclusive growth'. Mr Wenzel highlighted the crucial role of international financial institutions in tackling inequalities and making societies more inclusive. He also stressed the need for governments to invest in education, lifelong learning and social infrastructure.



Delegates at the Economy Ministers' meeting

CEB attends 2018 Western Balkans Summit

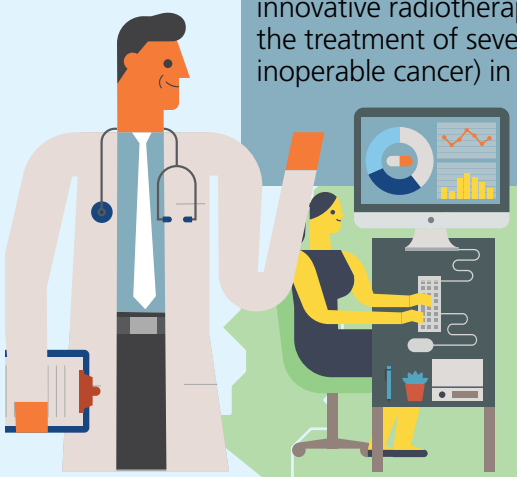
On 5th July, the CEB's Vice-Governor Carlo Monticelli attended the Economy Ministers' meeting in Vienna as part of this year's Western Balkans Summit under the Berlin Process. European and Western Balkans ministers joined with representatives from the European Commission, international financial institutions and regional and international organisations. Vice-Governor Monticelli highlighted the Bank's work to support micro, small and medium-sized businesses (MSMEs) in the Western Balkans.

Latest loans approved by the CEB

Nine new loans were approved by the CEB's Administrative Council in September. The loans range from €2 million to €200 million, totalling nearly €600 million.

FRANCE

Loan size: €42 million
Borrower: Centre européen de recherche et de développement en hadronthérapie (Cyclhad)
Aims: To finance the establishment of a research and treatment centre for hadrontherapy (a form of innovative radiotherapy used for the treatment of several types of inoperable cancer) in Normandy.



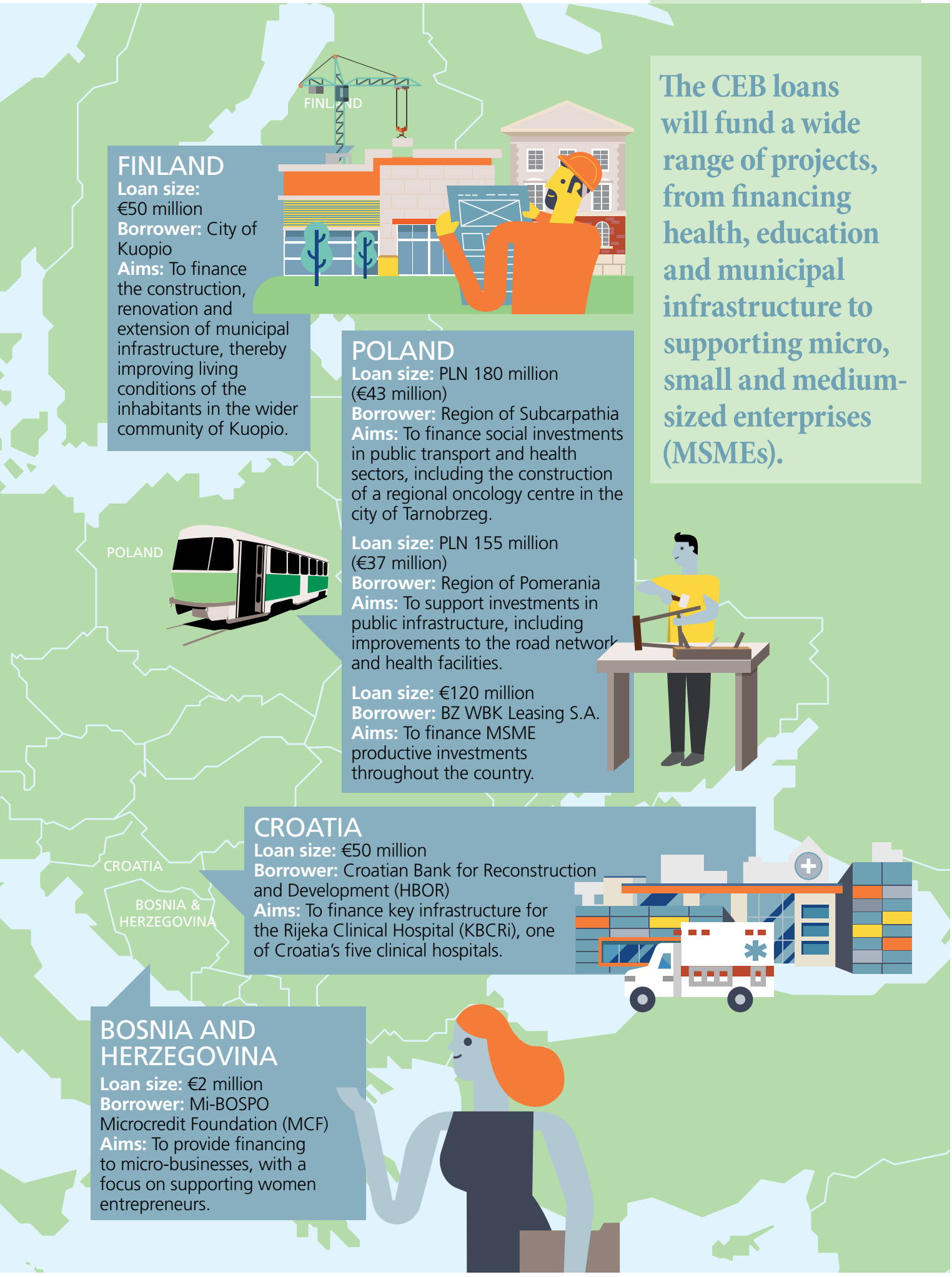
GERMANY

Loan size: €200 million
Borrower: NRW.BANK
Aims: To support social investments in the renovation, modernisation and extension of state school facilities across North Rhine-Westphalia.

Loan size: €50 million
Borrower: Thüringer Aufbaubank (TAB)
Aims: To support social development in Thuringia, including urban and rural infrastructure, energy efficiency projects and the provision of funds to MSMEs.



The CEB loans will fund a wide range of projects, from financing health, education and municipal infrastructure to supporting micro, small and medium-sized enterprises (MSMEs).



FINLAND

Loan size: €50 million
Borrower: City of Kuopio
Aims: To finance the construction, renovation and extension of municipal infrastructure, thereby improving living conditions of the inhabitants in the wider community of Kuopio.

POLAND

Loan size: PLN 180 million (€43 million)
Borrower: Region of Subcarpathia
Aims: To finance social investments in public transport and health sectors, including the construction of a regional oncology centre in the city of Tarnobrzeg.

Loan size: PLN 155 million (€37 million)
Borrower: Region of Pomerania
Aims: To support investments in public infrastructure, including improvements to the road network and health facilities.

Loan size: €120 million
Borrower: BZ WBK Leasing S.A.
Aims: To finance MSME productive investments throughout the country.

CROATIA

Loan size: €50 million
Borrower: Croatian Bank for Reconstruction and Development (HBOR)
Aims: To finance key infrastructure for the Rijeka Clinical Hospital (KBCRi), one of Croatia's five clinical hospitals.

BOSNIA AND HERZEGOVINA

Loan size: €2 million
Borrower: Mi-BOSPO Microcredit Foundation (MCF)
Aims: To provide financing to micro-businesses, with a focus on supporting women entrepreneurs.

Promoting a gender-friendly workplace



In January this year, the CEB launched its gender equality strategy, outlining its principles, objectives and actions to achieve gender equality and diversity as an employer. One of its key aims is to achieve a business certification standard for gender equality.

The CEB already has strong elements in place to promote gender equality, including work-life balance policies such as teleworking. In early 2018, the 'CEB Strategy on Gender Equality and Diversity' was presented to the Administrative Council as a clear signal of the Bank's commitment to promoting an environment that values and rewards the contributions of women and men in the same way.

This spring, the Bank conducted an employee survey, incorporated in the diagnostic and benchmark in support of the Gender Equality and Diversity strategy, examining attitudes towards key areas including equal pay, recruitment and promotion opportunities, leadership development, and flexible working.

Forming a strategy for gender equality

Why does the bank need a gender diversity and equality strategy?

- Having a clear strategy increases the Bank's capacity to achieve a representative workforce with a broad set of skills and competencies.
- Work quality is enhanced if objectives and activities are considered from diverse angles.
- Studies show that more diverse workplaces outperform others.

Key objectives of the strategy

The CEB's strategy outlines five objectives that it must meet if gender equality is to be achieved.

1. Strive to achieve at least 40% average female representation at level of A4-A7 (Group I and Group II above A4 level).*
2. Maintain the objective of a minimum of 50% female recruitments in Group II for the coming years with emphasis on the recruitment and internal promotion of women at A4 level and above.
3. Establish initiatives aimed at improving awareness, including senior management training on gender equality and diversity, and mechanisms to foster gender sensitive management.
4. Provide women with opportunities for external coaching and in-house mentoring.
5. Ensure that gender is mainstreamed into CEB's internal policies and processes.

**The grade system for staff members at the CEB ranges from C1 to A7, with five grade bands from Group V to Group I.*

Driving action

The CEB's gender equality strategy details 12 actions to help create an equal workplace for men and women. These include:

- designing and implementing coaching and mentoring programmes

> **"Our ambition is to have a modern and attractive workplace where all employees can access the same resources, enjoy the same rewards and have the same opportunities regardless of their gender."**
>
> Governor Wenzel



- creating networking opportunities for women
- reviewing the Bank's policies to ensure they promote gender equality
- creating an advisory gender forum to monitor progress on equality initiatives
- supporting recruitment and selection teams to source talent from a broader talent pool.

Developing an EDGE

One of the actions in the strategy is to 'go through a global assessment methodology and business certification standard for gender equality... leading towards certification [to] strengthen focus and quality of gender related initiatives and give positive exposure to the implications of gender issues.'

To that end, the CEB has been working with EDGE certification – the leading global assessment methodology and business certification standard for gender equality – to understand where the Bank stands in terms of gender balance and equality, and where it needs to focus to achieve best practice in gender equality.

An audit report is being prepared and will serve a basis for the EDGE certification expected by the end of 2018.

Integrating gender equality into our core financing activities

The CEB is committed to gender equality as an employer, and in the projects it supports. In its 2017-2019 Development Plan, the Bank integrated gender equality as a cross-cutting theme and a screening criterion for the development of new lending projects.

The Plan states that the Bank will 'deploy efforts for the identification and mainstreaming of gender equality actions during the appraisal of its projects in an effort to influence gender dynamics, reduce inequalities and improve the social outcome of its investments'.

How EDGE works

Measurement

EDGE measures the gender mix, pay equity, effectiveness of policies and practices, as well as the inclusiveness of an organisation's culture. EDGE works with HR teams and surveys employees for input and feedback.

Benchmarking

EDGE then benchmarks the organisation against its own standard and against the organisation's peers, and provides an action plan based on its findings.

Certification

After auditing an organisation, EDGE provides certification at one of three levels.

PAGE 17 FORTHCOMING EVENTS AT THE CEB AND ACROSS EUROPE, PLUS OUR LATEST PUBLICATIONS

Bringing innovation to emergency accommodation

An innovative initiative, partly financed by a loan from the CEB, is helping to improve emergency accommodation and reception facilities for asylum seekers, migrants and other vulnerable people across France.



Photo: © Sylvie Dupic

Anedou Kuluba with her five children at the Emergency Shelter and Social Care in Cergy-Pontoise

Even though migratory flows in Europe have dramatically decreased since the peak of 2015, more than 100,000 people requested asylum in France last year and 36% of applicants were granted refugee status. This puts further strain on the accommodation and housing policy, a key element in tackling poverty and promoting social inclusion, at a time when challenges are considerable. The Abbé Pierre Foundation, in its 20th Annual Report on the State of Bad Housing, recorded 3.5 million people in France with either no housing or very bad housing conditions.

For migrants and asylum seekers, in the wait for their cases to be reviewed, the French Government has mostly been paying for temporary accommodation in low budget hotels. Conditions can be cramped and insanitary with poor access to healthcare, education facilities and social services. With the costs for central government also spiralling, it launched two consultation processes to select operators able to provide accommodation and social support, one intended for foreign nationals applying for asylum, the other for the homeless and people in distress, whatever their administrative status.

Creating a social and economic solution

To help meet the needs of central government and asylum seekers as well as those of other vulnerable groups, CDC Habitat, previously Société Nationale Immobilière (SNI) – via its subsidiary, AMPERE Gestion – set up the Hémisphère social impact fund in May 2017. This brought together six heavyweight institutional investors with the focus on acquiring, restructuring and owning properties that meet government specifications.

The Hémisphère fund will purchase around 100 low-cost hotels across France (to relieve pressure on the Paris and Greater Paris region) that will be let to Adoma, a specialist in emergency accommodation and social integration through housing. Adoma will renovate and restructure the hotels into accommodation centres – work that will be financed by Hémisphère and a €100 million loan from the CEB.

Hémisphère

An innovative response to the emergency accommodation crisis

1 Asylum seekers and other people in difficulty receive emergency accommodation in hotels. This proves costly for central government and doesn't meet the needs of vulnerable people.





2 AMPERE Gestion, six institutional investors and the CEB join forces to provide central government with an alternative to paying for overnight hotel stays: hotels are converted into accommodation centres.



3 Hémisphère – a social impact investment fund – is created with a €100 million loan from the CEB and a capital of €100 million provided by the institutional investors.



4 Hémisphère purchases over 100 low-cost hotels. These are rented to Adoma, which specialises in social integration through housing.





5 Adoma renovates and restructures the hotels – work financed by Hémisphère. It also provides accommodation and social support services – these are financed by central government. People receive safe accommodation and healthcare support; their children attend school.



6 Creation of 10,000 emergency accommodation units, with social support. Government saves 40% on its accommodation budget. Investors receive a fixed rent and a variable return based on social outcomes.

The project is expected to deliver 10,000 emergency accommodation places.

Adoma also provides reception and social support services for the asylum seekers and other vulnerable persons, which will be financed by the French Government. These services offer guidance on obtaining permanent housing and employment, access to health services, and educational services for children.

In 2017, after one year of intensive efforts, 59 low-cost hotels had already been purchased and restructured, representing some 6,000 emergency accommodation places.

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Who is part of Hémisphère?

Hémisphère is a social impact investment fund managed by AMPERE Gestion, which brings together major institutional investors:

- **France Aviva**
- **BNP Paribas Cardif**
- **Caisse des Dépôts et Consignations**
- **CNP Assurances**
- **MAIF**
- **PRO BTP**

continued from page 11

How does a social impact fund work?

The Hémisphère initiative is based on a social impact investment scheme that sees private sector investors funding social programmes that link part of the remuneration to improved social outcomes, including the number of people who have been placed in permanent accommodation or successfully transitioned from the programme, or the proportion of children attending school. These objectives are measured each year by an independent auditor.

Benefits of the social impact fund include:

- Enabling central government to save 40% on its accommodation budget
- Providing more effective control of the quality of accommodation and social support being offered
- Delivering a secure financial investment for investors: they receive a secured yield based on the rents from Adoma, and a variable return based on social outcomes
- Creating a flexible and easy-to-replicate solution that can be used in other areas of social action, particularly projects that require personalised follow-up services, or that have a major impact on quality of life, such as social housing.

Based on innovative finance, social impact funds and bonds enable the private sector to invest for the public good, benefiting the most disadvantaged.

Breaking new ground

This is the largest initiative to use this type of funding instrument. It demands close cooperation between public and private stakeholders.

Key stakeholders include:

- Central government draws up the technical specifications of the service offering to be entrusted to a social services operator
- Adoma, the operator selected by the government, is in charge of providing emergency accommodation and social support
- Six long-term institutional investors finance the project as part of a social impact investment (they commit to invest €100 million in equity)
- The CEB extends a loan of €100 million to Hémisphère
- An independent assessor measures the social outcomes, which determine part of the investors' returns.

BENEFITING THE MOST DISADVANTAGED



Photos: © Sylvie Dupic

Imran Youssouzai, from Afghanistan, has been in France since March 2018 and has obtained refugee status.



Erasto Abdoullahi and his son have been in France since 2016. They are awaiting an appointment with the National Court on the Right of Asylum (CNDA).



Fournise Estil Boulange had to leave her flat with her child.

"This programme is targeting areas that are crucial when it comes to ensuring a decent standard of living, such as access to housing, health, education and social support. It will draw significantly on Adoma's long-standing experience in social housing, and we are pleased to be renewing our co-operation with the Caisse des Dépôts Group in this area."

Governor Wenzel

PAGE 16 TWO NEW CEB PAPERS SHINE A LIGHT ON HOUSING ISSUES

Integration starts with a home

Info speaks to Jean-Paul Clément, Chief Executive Officer of Adoma, the leading provider of supported accommodation and housing in France.

info: In what way is the Hémisphère project innovative and what are the specific challenges facing Adoma, as a key player in the scheme?
J-PC: The Hémisphère project is innovative, I could even say exceptional, in that it is the number one fund with a social impact of this size in Europe. By bringing together private investors, the fund has made it possible, thanks also to the CEB, to acquire some sixty former hotels for a total amount of a little over €100 million. The hotels have been turned into social residences that are run by Adoma, enabling us to offer the public authorities 7,716 places of accommodation (this includes, just for the hotels alone, 3,480 places for asylum seekers and 2,136 places for the homeless). This measure has enabled the Government to reduce the cost of overnight hotels stays by 40% for these 7,716 places, but with an added dimension: quality assistance and support for the social integration of our residents.

info: Adoma's cooperation with the CEB goes beyond the context of the Hémisphère project: could you tell us more about this?
J-PC: In 2015, Adoma contracted a €100 million loan from the CEB to finance 50% of the works for the structural upgrading and maintenance of its migrant workers' hostels and its social residences. These works have contributed to improving the quality of life of our residents and the CEB financing has enabled Adoma to keep up its ambitious programme of works for the benefit of an often fragile population.

info: How does Adoma regard 'social inclusion for the benefit of all', to quote the title of your 2017 annual report, and more widely the question of integration through housing?
J-PC: Adoma is the first link in the 'social inclusion for the benefit of all' chain and places integration through housing at the very heart of its priorities. For all those persons living on the streets, those waiting for refugee status or international protection, but also all those people living without resources or on minimum social benefits or those qualified as 'poor workers', integration starts with access to a roof over their heads. This is exactly what Adoma can offer with its housing facilities and its transitional accommodation in social residences. And as housing in itself is not enough, Adoma and the 600 professionals in its social engineering subsidiary provide daily assistance and support to the 88,000 temporary or longer-stay residents in gaining access to their rights and to healthcare, in their administrative formalities and procedures and, more generally, in anything that can facilitate their social integration.

JEAN-PAUL CLÉMENT

Chief Executive Officer of Adoma since 2015

Thirty years' experience with CDC Habitat (former SNI group)

Chief Executive Officer of *la Sainte-Barbe*

Chief Executive Officer of SACVL

Chairman of the Management Board of *SA du Hainaut*



"Adoma is the first link in the 'social inclusion for the benefit of all' chain and places integration through housing at the very heart of its priorities."
Jean-Paul Clément

Enabling affordable housing in Montenegro


Pavle Radulović and Rolf Wenzel, with Željka and Ivan Samac and their children

The CEB is funding a long-term, three-phase programme to help vulnerable and low-to-medium-income households in Montenegro to access affordable permanent housing. Through this innovative programme, households receive subsidised mortgage loans, part-financed by the CEB.

The housing stock of Montenegro numbers just under 248,000 dwellings, which is almost entirely (98%) privately owned. The state, therefore, has a very limited ability to provide social housing – a fact that mainly affects the country's socially vulnerable and excluded groups. It's thought that, by 2020, the shortfall in housing will be nearly 26,000 units.

Why a lack of housing?

There are a variety of reasons for the shortfall in housing, including the 2008/9 economic crisis. At this point, house building stopped, leading to a production downturn and increasing unemployment. Many commercial banks adopted conservative lending policies, requiring buyers to have a large deposit or down payment, and charging high interest rates on mortgage loans.

A tailor-made solution

As funding constituted a key challenge to creating a sustainable social housing system in Montenegro, the Government turned to the CEB, alongside other stakeholders, for help. Together, in 2010, they set the basis for the '1000-plus affordable housing programme,' whose fourfold aim was as follows:

- To increase the access of less-able households to quality permanent housing through a subsidised mortgage scheme when they buy homes from selected construction companies.
- To facilitate the completion of many apartment blocks, halted in mid-construction during the economic crisis, and to kick start the building industry.
- To enhance living conditions in less developed regions (e.g. northern Montenegro), thereby slowing migration to central and southern areas.
- To ensure an energy-efficiency upgrade of old and new buildings in line with Montenegro's 2020 energy and climate goals.

How the '1000-plus' programme works

The programme involves the selection of eligible households and housing stock, insurance companies (to provide lower cost loan insurance), and commercial banks (to organise mortgage financing).

1. All qualified beneficiary households receive a voucher and a list of selected apartments from which they choose their preferred apartment.

2. They sign a preliminary sales contract with the housing provider to reserve a dwelling. The housing provider is obliged to sell the dwelling to the beneficiary at the price contracted with the government.

"I was touched to see the happy faces of the family, particularly of the children. It really does make a difference to have a place you can call your own, a home where you belong. I was also pleased to learn that all the children attended school regularly and that a community social life was gradually developing. All this makes one optimistic about the future."
Governor Wenzel

PAGE 10 HOW CEB FUNDING IS IMPROVING EMERGENCY ACCOMMODATION ACROSS FRANCE



Photo: © Balsa Rakocevic

3. The beneficiary approaches one of the selected banks, which progresses the individual financing transaction for the home purchase. The CEB and commercial banks co-finance the mortgages, the beneficiary provides a minimum 3% down-payment, and the government provides the interest rate subsidy.

A three-phase approach

The '1000-plus' programme has been rolled out as an iterative three-phase programme, with key lessons learnt informing and enhancing the successive phase.

First phase: 2010-2012. A €10 million CEB loan was granted to the Montenegrin Government to subsidise the interest rate of mortgage loans to eligible households. This enabled 433 households in need to access property across the country.

Second phase: 2015-2017. A €10 million CEB loan enabled 376 households to solve their housing problems.

Third phase: 2018-2020. A further €10 million loan from the CEB will enable more low and middle-income households to purchase new or second-hand apartments or to purchase, extend or reconstruct individual houses.

A flagship programme

The '1000-plus affordable housing programme' was used as a case study ('Fostering competition in small housing markets') at a Regional Forum on Sustainable Development, held this year in Geneva in early March. The Forum is a space for peer learning and sharing of practical solutions in implementing the UN's Sustainable Development Goals. The programme addresses SDG 11: Sustainable cities and communities.

WHO ARE THE PRIORITY GROUPS?

- Young couples
- Households with people with disabilities
- Civil servants
- Low income households

On the ground

During his official visit to Montenegro on 3rd October, CEB Governor, Rolf Wenzel, and Pavle Radulović, Minister of Sustainable Development and Tourism, met with Željka and Ivan Samac and their children, a beneficiary family of the '1000-plus' programme.

Željka is a primary school teacher and Ivan is a civil engineer. Through the CEB-funded programme, they have been able to buy a one-bedroom apartment with a mortgage loan. Thanks to the CEB-funded programme, the 20-30% purchaser contribution ordinarily required by the banks was lowered to 5%, and the couple were able to obtain a loan with an interest rate of less than 4%.

Making an impact

While there were some challenges in the first two phases of the programme, the phased approach has meant that these have been reduced or eliminated at each step. The excellent results of the programme to date, and its flexible model, mean that it could be replicated elsewhere – as long as there is careful consideration of the housing market, population needs and beneficiary categories.

Positive results

- So far, over 800 eligible low-to-medium-income households have been able to buy their homes through the project.
- The programme has helped to drive competition among commercial banks and construction companies in Montenegro, helping to remobilise the construction industry after the economic crisis.
- Mortgage interest rates and the cost of real estate have both been reduced.
- The programme has also strengthened long-term social integration of low-income families, influencing new housing strategies and social housing regulations.

"I am truly grateful for CEB being our partner on this project, through which 2,149 people, or 809 families, have already found a solution to their housing matters."

Pavle Radulović, Minister of Sustainable Development and Tourism

Sharing knowledge, driving solutions

The CEB has longstanding experience in financing social and affordable housing projects in member states. A technical brief shares expertise and highlight potential solutions. Another recent research paper analyses the causes and consequences of housing inequality in Europe. Both are published on the Bank's website.

There is a wide variety of housing market models across the continent. Moreover, governments have approached the challenge of housing inequality differently. Consequently, affordable housing has turned into a complex issue, difficult to untangle. It is however vital that this issue is properly addressed if we are to resolve the cycle of inequality that poor housing creates.

After all, housing inequality can be a symptom and a cause of income inequality. Poorer and more vulnerable people live in areas that exacerbate inequalities – where there are low quality, or non-existent, public transport, education and health services.

The Bank's view

The CEB sees housing as a human right and a priority for achieving inclusive growth and social cohesion. The Bank finances housing projects in its member states to increase the availability of affordable, quality, sustainable housing for low-income and vulnerable population groups, thereby improving their quality of life and facilitating their integration into the community and workforce.

Sharing expertise

As a social development bank, the CEB aims at providing tailor-made financing solutions and technical assistance, as well as specific knowledge and expertise in the field of its social mandate.



Technical brief on Social and Affordable Housing

Produced in October 2017, this briefing document from the CEB shares lessons learnt from 13 ongoing or recently completed social housing loan operations in Albania, Bosnia and Herzegovina, the Republic of Moldova, Montenegro, Romania, Serbia and "the former Yugoslav Republic of Macedonia".

The paper looks at the challenges of financing affordable rental housing, and housing ownership, and solutions to these problems. It also investigates how to ensure an inclusive approach for vulnerable beneficiary groups, and ways to improve affordability and speed up the implementation of projects.

https://coebank.org/media/documents/Technical_Brief_1_Social_and_affordable_housing.pdf



Housing inequality in Europe

This 68-page report, produced in December 2017, is an in-depth analysis of housing inequality across the continent. It provides a comprehensive overview ofo housing inequality in Europe, country differences and, the issues of cost and quality of housing, poor access to public transport, education and health services in poorer neighbourhoods, and the financing of social housing.

https://coebank.org/media/documents/Part_3-Inequality-Housing.pdf

Financing quality social housing

Amounts approved and disbursed by the CEB

	Loans approved	Loans disbursed
1956-2017	€11 billion	€7.8 billion
2008-2017	€3.7 billion	€2.2 billion

Geographic distribution

CEB lending to decent and affordable housing (2008-2017): €3.7 billion

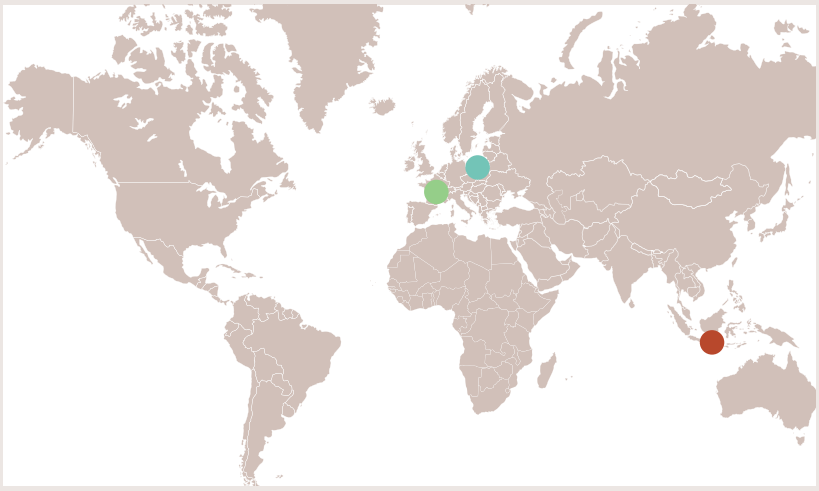
- Western Europe (Belgium, France, Germany, Ireland) €2.74 billion
- Southern Europe (Malta, Portugal, Spain) €277 million
- Northern Europe (Finland) €100 million
- Eastern Europe (Hungary, Poland, Republic of Moldova, Romania, Slovak Republic, Western Balkans) €574 million

"Housing inequalities are a symptom and a cause of income inequalities. Poor households cannot afford quality homes and live in neighbourhoods that create poor living and working conditions, thus exacerbating inequality."

Edo Omic, Economist, CEB

What's on October to December 2018

Find out more about forthcoming meetings and conferences at the CEB and beyond, plus the Bank's latest publications.



12-14th October
Bali, Indonesia

World Bank Group and International Monetary Fund annual meetings
Central bankers, finance and development ministers, academics and private sector executives come together to discuss global issues and the global economic outlook.
More at: meetings.imf.org/en/2018/Annual

15-16th November
Paris, France

Meeting of the CEB's Administrative Council
The last of this year's Administrative Council meetings. Representatives of each member state will join together to approve new investment projects.
More at: coebank.org/en/about/structure-management/administrative-council

30th November
Paris, France

Meeting of the CEB's Governing Board
The final meeting of the Bank's Governing Board for 2018. The Governing Board oversees the general direction of the Bank.
More at: coebank.org/en/about/structure-management/governing-board

7th December
Paris, France

CEB-Caisse des Dépôts Conference on 'Social Investment for a Prosperous and Resilient Europe'
This high-level conference, jointly organised by the CEB and Caisse des Dépôts Group will consider the key challenges for social cohesion in Europe and discuss how to invest more in better social infrastructure while targeting the needs of the most vulnerable.
Mail: conference2018@coebank.org

3-14th December
Katowice, Poland

UN Climate Change Conference (COP24)
Delegates from some 190 countries will take part in this global event, including politicians, NGOs, scientists and business leaders to ensure full implementation of the Paris Agreement.
More at: cop24.katowice.eu

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

Read our latest publication

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

TECHNICAL BRIEF ON PROMOTING INCLUSIVE GROWTH IN CITIES

This brief provides a framework for assessing initiatives for inclusive growth in cities, and presents the main areas of government action and CEB support in advancing this agenda.



HALF-YEAR REPORT

Condensed Interim Financial Statements as at 30 June 2018

Within the framework of the IFRS standards applied by the CEB, the Bank publishes its interim, non-audited accounts.

Interesting in joining the CEB?

We're always looking for new talents to join our team. If you are interested in working for the CEB, visit our careers website at https://ceb.profils.org/accueil.aspx?lcid=1036

DOWNLOAD CEB PUBLICATIONS **https://www.coebank.org/en/news-and-publications/ceb-publications/**

Supporting housing for all
Soutenir le logement pour tous

The CEB sees housing as key to inclusive and sustainable growth, as well as a human right. Housing plays a key part in almost half of the sectors that the Bank supports: social housing, aid to refugees, migrants and other vulnerable groups, natural disasters and protection of the environment.

La CEB considère le logement comme une composante essentielle d'une croissance inclusive et durable, ainsi qu'un droit fondamental. Le logement joue un rôle essentiel dans près de la moitié des domaines d'intervention de la Banque : logement social, aide aux réfugiés, migrants et autres groupes vulnérables, catastrophes naturelles et protection de l'environnement.



The CEB supports vulnerable people into social and affordable housing by funding the construction of new (or the renovation of existing) housing, and by funding subsidised mortgage loans. Since 2008, Belgium has received the most funding in this sector, with €1.32 million allocated to projects, including those to fund mortgages for low income and large families, with also a focus on energy efficiency.

La CEB aide les personnes vulnérables à bénéficier d'un logement social et abordable en finançant la construction de nouveaux logements (ou la rénovation de logements existants) et en finançant des prêts hypothécaires subventionnés. C'est la Belgique qui, depuis 2008, a reçu le plus de financements dans ce secteur avec € 1,32 million alloués à des projets notamment destinés à financer des prêts hypothécaires pour les familles à faible revenu et les familles nombreuses, avec également un accent mis sur l'efficacité énergétique.

2017 was the CEB's biggest year for contributing to projects with a housing component that supported refugees and migrants, or the victims of natural disasters. In Italy the Bank funded €350 million for repair/reconstruction projects after devastating earthquakes.

C'est en 2017 que la CEB a le plus contribué à des projets intégrant une composante logement en faveur des réfugiés et migrants, ou des victimes de catastrophes naturelles. En Italie, la Banque a approuvé € 350 millions de financements au titre de projets de réparation/reconstruction après des tremblements de terre dévastateurs.





Promoting energy efficient housing is also an important part of the CEB's work (see the last issue of Info Magazine #2 2018). This year alone, the Bank has approved nearly €103 million to enable households in the Netherlands and Bosnia and Herzegovina to be more energy efficient.

La promotion de logements à haute efficacité énergétique est également un axe important de l'action de la CEB (voir le dernier numéro d'Info Magazine #2 2018). Pour la seule année 2018, la Banque a approuvé près de € 103 millions pour permettre à des ménages aux Pays-Bas et en Bosnie-Herzégovine d'accroître l'efficacité énergétique de leur logement.

HOUSING
THE BIG FIGURES
LOGEMENT
LES CHIFFRES
(2008-2018)

€3,691m
SOCIAL HOUSING
LOGEMENT SOCIAL

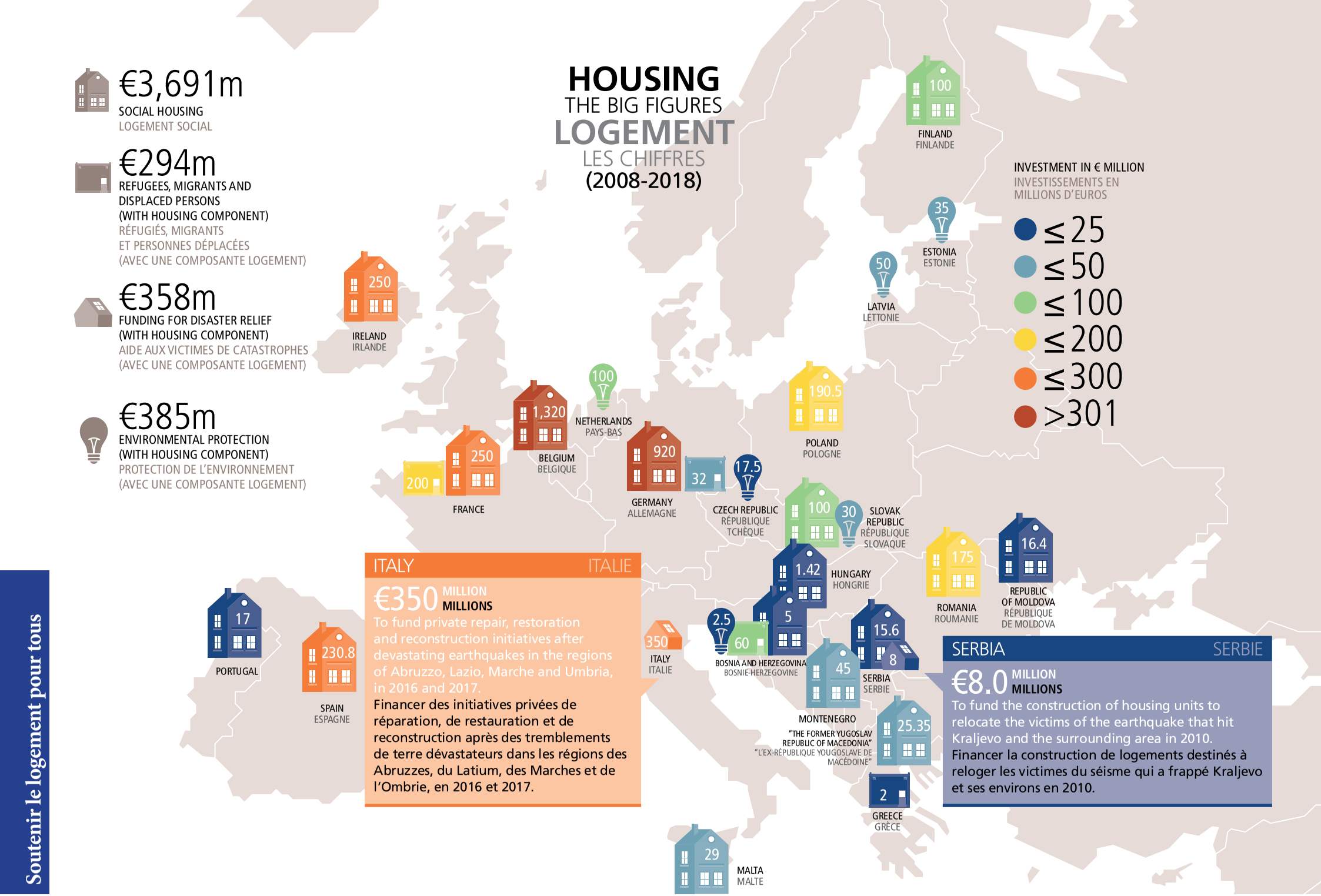
€294m
REFUGEES, MIGRANTS AND DISPLACED PERSONS (WITH HOUSING COMPONENT)
RÉFUGIÉS, MIGRANTS ET PERSONNES DÉPLACÉES (AVEC UNE COMPOSANTE LOGEMENT)

€358m
FUNDING FOR DISASTER RELIEF (WITH HOUSING COMPONENT)
AIDE AUX VICTIMES DE CATASTROPHES (AVEC UNE COMPOSANTE LOGEMENT)

€385m
ENVIRONMENTAL PROTECTION (WITH HOUSING COMPONENT)
PROTECTION DE L'ENVIRONNEMENT (AVEC UNE COMPOSANTE LOGEMENT)

INVESTMENT IN € MILLION
INVESTISSEMENTS EN MILLIONS D'EUROS

- ≤ 25
- ≤ 50
- ≤ 100
- ≤ 200
- ≤ 300
- >301



ITALY — ITALIE

€350 MILLION MILLIONS

To fund private repair, restoration and reconstruction initiatives after devastating earthquakes in the regions of Abruzzo, Lazio, Marche and Umbria, in 2016 and 2017.

Financer des initiatives privées de réparation, de restauration et de reconstruction après des tremblements de terre dévastateurs dans les régions des Abruzzes, du Latium, des Marches et de l'Ombrie, en 2016 et 2017.

SERBIA — SERBIE

€8.0 MILLION MILLIONS

To fund the construction of housing units to relocate the victims of the earthquake that hit Kraljevo and the surrounding area in 2010.

Financer la construction de logements destinés à reloger les victimes du séisme qui a frappé Kraljevo et ses environs en 2010.

Soutenir le logement pour tous