

Trust Funds For Social Impact

HIGHLIGHTS 2023



Key 2023 trust fund data



€43M

New trust fund contributions from donors



€5M

CEB earnings allocated to trust funds



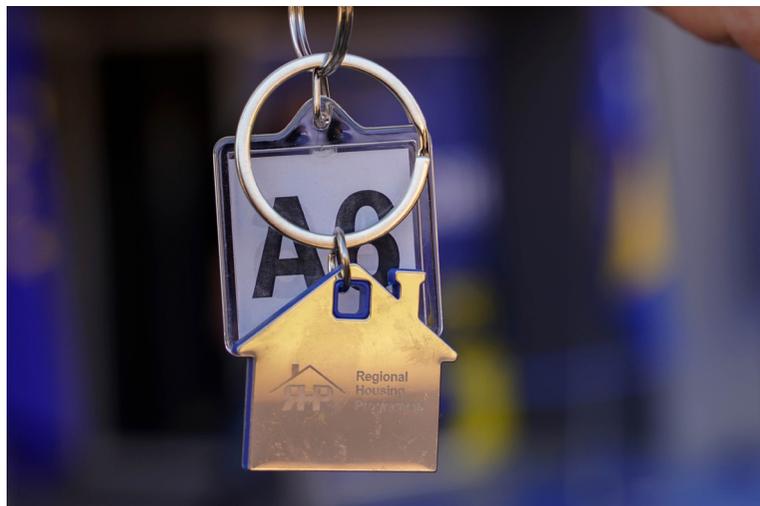
€31M

CEB grants approved with trust fund resources



€24M

CEB loans guaranteed with trust fund resources



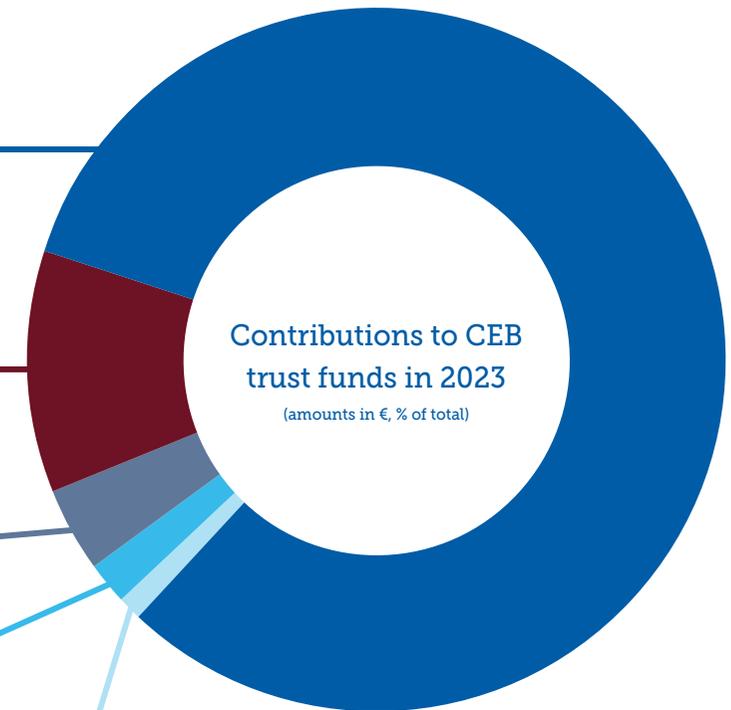
EU • €40M • 83%

CEB • €5M • 11%

Germany • €2M • 4%

Lithuania • €1M • 2%

Czech Republic • €29 000 • <1%



Enhancing the CEB's social impact, trust funds provide extra support for projects that target the most vulnerable across Europe, including people displaced by armed conflicts or natural disasters, and address their basic social needs, such as housing, education and healthcare. This support takes the form of technical assistance or investment grants that enhance the sustainability of the projects. Trust funds also serve to guarantee loans to high-impact borrowers, such as microfinance institutions that fund social entrepreneurs, who would otherwise not be eligible for CEB lending.

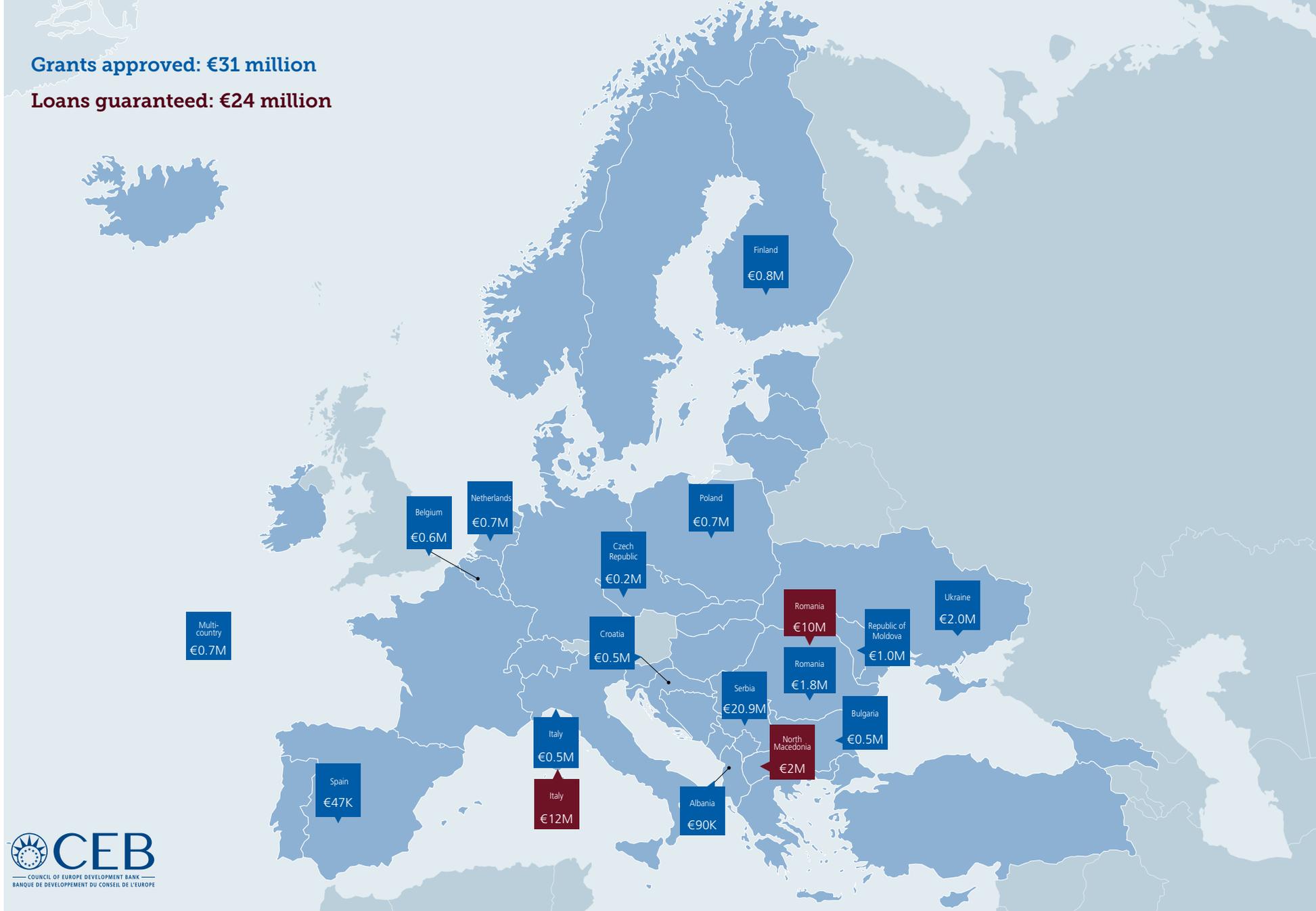
Trust funds are financed by contributions from donors such as the European Union (EU) or CEB member states, or allocations from the Bank's earnings, for example to the Bank's Social Dividend Account (SDA). Contributions and allocations to CEB trust funds amounted to €48 million in 2023. Donors who finance CEB trust funds are crucial partners for the Bank, as their contributions enable the CEB to supplement its lending and take on extra projects. The collaboration is mutually beneficial: donors who partner with the CEB are assured that their funds help those who are most in need, as the beneficiary stories presented here demonstrate.



CEB Governor Monticelli greets European Commission President Ursula von der Leyen in Vogosca for a Regional Housing Programme event

Grants approved: €31 million

Loans guaranteed: €24 million



Data as at 27 February 2024



Grants approved from CEB trust funds in 2023



Loans guaranteed by CEB trust funds in 2023

Repairing homes in Ukraine

The home repair project is financed by a €2 million grant from two CEB trust funds, the Migrant and Refugee Fund and the Ukraine Solidarity Fund. The project is implemented by Catholic Relief Services in partnership with Caritas Ukraine and Caritas Spes Ukraine, and aims to provide light and medium home repairs to over 500 vulnerable, conflict-affected households in Kharkiv Oblast.



I live each day with
gratitude and joy

**Anastasiya, beneficiary
of a home repair project
in Ukraine**

For Anastasiya, Slatine, a village in eastern Ukraine, has been home for nearly 50 years. The course of Anastasiya's life changed in early 2022. A mere 15 kilometres from the Russian border, Slatine was occupied by Russian forces during the early days of the war.

Initially sheltering in her basement, Anastasiya sought refuge in a town 450 kilometres away, when shells started landing dangerously close to her home. She eventually returned home once Ukrainian forces reclaimed the area.

Anastasiya's home-coming was heart-breaking. A smashed entrance door, shattered windows and numerous bullet holes meant the damages were too severe for Anastasiya to repair on her own due to her age, health and income.

Fortunately, Anastasiya was deemed eligible for free repairs during a visit from Caritas staff, who assessed the necessary repairs and identified a contractor to carry them out. Commenting on the support she received, Anastasiya emphasised: "The staff communicated very well with me, and the repairs were done quickly. I was very happy with the team as they did an excellent job." Given her circumstances, simply surviving the war itself is an achievement, Anastasiya remarked, and concluded our interview saying, "I live each day with gratitude and joy."

¹ Name has been changed

Providing housing in the Balkans

Mira fled Croatia, her home country, in 1995 due to the conflict in the former Yugoslavia and now lives in Serbia. She applied to the Regional Housing Programme (RHP) after one of her neighbours, who like Mira is a single mother, received a house through the Programme.

Mira now owns the village house that she had been renting for decades, thanks to the programme, which purchased the house from its previous owner. "It is the first time I've had something of my own. I'm really happy", she smiled. After years of housing insecurity, homeownership thanks to RHP donor funds has given Mira a newfound sense of tranquility: "I fall asleep peacefully when I go to bed."

Owning her home has provided Mira with more than just a place to stay. Mira now also grows vegetables and raises piglets on her land, which she then sells to supplement her income as a janitor at the town's school. "By selling vegetables from the greenhouse this winter, spring and summer, I made enough money to buy some pigs. I bought a sow so now I have some piglets. We sold most of them, but kept two."

Mira also intends to open a village store in a shed next to her house. This initiative would serve the whole village and illustrates the wide-ranging benefits of the RHP. "There is no shop in the village and the village could really use one. I think it would be great."



Completed in 2023 after more than a decade of implementation, the RHP provided housing to 36 000 highly vulnerable people who had been living in substandard accommodation after being displaced during the conflict in the former Yugoslavia in the 1990s.

Implemented by Bosnia and Herzegovina, Croatia, Montenegro, and Serbia, the RHP was managed by the CEB with financial support from the EU, the Programme's largest donor, as well as the United States, Germany, Norway, Switzerland, Italy and others. More information can be found here: regionalhousingprogramme.org

I fall asleep peacefully when I go to bed

**Mira Mihajlovic, beneficiary of the
Regional Housing Programme in Serbia**

Transforming a woman-led small business through microcredit in North Macedonia



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Fikrija, a successful woman entrepreneur, lives in the Shuto Orizari neighbourhood of Skopje, the capital of North Macedonia, with her husband, who is from the Roma community, and their children. The family has four adult children and also fosters four school age children.

In 2000, Fikrija launched a small-scale women's clothing store by renting a market stall. Today she owns a shop on the main commercial street of her neighbourhood. Her husband supports her business through his transport company by procuring and delivering goods for sale on local markets and to other local resellers domestically, as well as transporting imported Turkish merchandise to North Macedonia. The business generates a net annual income of around €10 800 – well above the national average.

Fikrija has grown her business with the support of Horizonti Microcredit Foundation, a microfinance institution and CEB partner institution. She became a client of Horizonti in 2001 when she took out a €250 working capital loan. Since then, Horizonti has supported the growth of her business through various loans, including one to buy a new van for carrying goods. Thanks to the lower fuel consumption of her new van, Fikrija expects to increase her profits by 20%, while decreasing her business CO₂ emissions.

Horizonti Microcredit Foundation received two loans from the CEB in 2021 and 2023 totalling €3 million, which it lends onwards to highly vulnerable groups, including the Roma community, with no or very limited access to the traditional financial sector. The CEB uses the resources of the Social Dividend Account, a trust fund financed by the Bank's own earnings, as collateral for its loans to Horizonti, which otherwise would not have been eligible for its lending.



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