## Table of Contents

3  Foreword by the Governor

5  Inclusive Growth Across Europe

5  High Impact

6  High Visibility

9  Helping Migrants and Refugees

10  “I Feel Really Safe Here”

12  “Making Europe Stronger and More Inclusive”

13  Saving Children’s Lives

15  Building a Better Future for Roma

16  Key Data

---

Children of a family who just moved into an apartment financed by the Regional Housing Programme in Belgrade, Serbia
In 2017, the CEB raised a record €114 million from donors. This is a clear sign of support from the international community.

Donors back the CEB because its mandate is highly relevant in today’s Europe. The Bank’s mission is to foster inclusive growth in Europe. This focus is key at a time when a rising number of Europeans feel economically excluded.

The support of our donors enables us to do more for those most in need. In particular, the CEB is able to provide more assistance to migrants and refugees, whose integration is a major challenge across Europe.

Paris, 28 February 2018
INCLUSIVE GROWTH ACROSS EUROPE

The CEB is the only European multilateral development bank with a social mandate. By promoting inclusive growth, the Bank contributes to stability and prosperity across Europe.

In practical terms, the Bank strives to improve the lives of vulnerable people. These people often lack access to education, healthcare and decent housing; thus, the Bank finances social infrastructure such as schools, hospitals and housing. Moreover, vulnerable people often face difficulties finding steady work; hence, the Bank also finances micro-enterprises and SMEs, which create jobs.

HIGH IMPACT

Donors are key partners for the CEB. They help the Bank fulfil its social mandate by enabling the implementation of highly social projects.

The Bank uses donor funds to support projects that target those most in need, such as migrants and refugees. Donor funds mainly finance technical assistance grants or investment grants.

These grants, which the CEB often provides in conjunction with its loans, have a high social impact. Technical assistance grants facilitate the design and implementation of projects. Investment grants make projects more affordable.
HIGH VISIBILITY

Donors who contribute to CEB trust funds enjoy a number of benefits.

First, their contributions will effectively help disadvantaged population groups. Given the Bank’s wholly social mandate, all contributions are used in favour of these groups.

Second, their support will be widely publicised. The Bank devotes a whole section of its website to donors. It also ensures that beneficiaries are made aware of the donor support received through billboards, plaques and visibility events on project sites.

Finally, donors can report their contributions as official development assistance (ODA). The Bank is recognised by the Organisation for Economic Co-operation and Development (OECD) as eligible for ODA. Thus, donor funds provided for ODA purposes may be reported as such to the OECD.
Establishment of the first CEB trust fund, the Social Dividend Account

22 Years of donor support for the CEB’s mandate

€686 million Funds contributed by donors to CEB trust funds

€480 million Funds contributed by the European Union, the largest contributor to CEB trust funds

€412 million Funds disbursed from CEB trust funds

212 Projects supported by donor funds
HELPING MIGRANTS AND REFUGEES

Providing assistance to migrants and refugees is a priority mandate for the CEB. Thanks to the support of its donors, the Bank is actively involved on behalf of these population groups.

The CEB helps its member states accommodate and integrate the record number of migrants and refugees who have crossed into Europe during the past years. By end-2017, the Bank had awarded €22 million in grants from its Migrant and Refugee Fund to projects focussed on these population groups.

The Bank will also assist Turkey in addressing the unprecedented influx of refugees stemming from the conflict in Syria. Turkey has over three million Syrian refugees on its territory, making it the largest refugee-hosting country in the world. The CEB is to oversee the construction of a hospital, financed by a €50 million contribution from the European Union. The hospital will enable Turkey to provide better medical care to both the Syrian refugees and their host community.

Finally, the Bank helps the countries of the former Yugoslavia address the legacy of displacement stemming from the armed conflicts of the 1990s. For the past 6 years, the Bank has been overseeing the implementation of the Regional Housing Programme. This initiative provides housing to vulnerable persons displaced during the 1990s conflicts. By end-2017, more than 8,000 beneficiaries had already been provided with new homes. This figure is expected to rise to more than 34,000 by the time the Programme is completed in 2021.

1. Refugee camp in Suruc, Turkey
2. Beneficiary of the Regional Housing Programme in her new home in Nikšić, Montenegro
3. Gardening activity in migrant and refugee camp financed by the Migrant and Refugee Fund in Greece to foster integration
Abbas is 16 years old. He came to Greece from Pakistan six months ago. Since then, he has been living in an open accommodation centre for unaccompanied migrant children in Athens. The centre is financed by a €1.1 million grant from the CEB’s Migrant and Refugee Fund. At the request of the Greek authorities, it is operated by the International Organization for Migration (IOM). IOM is the leading inter-governmental organisation in the field of migration and works closely with governmental, intergovernmental and non-governmental partners.

Abbas has four brothers and two sisters. His elder brother is currently living in Italy. He would like to go and live with him, sometime in the future.

His dream is to become a chef in a small Italian city. To help him fulfil this dream, IOM has arranged for him to resume his schooling and to receive vocational training. “I love cooking. My favourite Pakistani food is biryani – our local rice – and from western cuisine I love pasta. Every day from 08:00 am to 01:00 pm, I go to school and then for at least two hours per day I am visiting Velos, a local community where I can practice my cooking skills.”

But most of all, Abbas enjoys the newfound feeling of safety from living in the centre for unaccompanied migrant children. “I really enjoy spending time in the kitchen, but the most important thing is that I feel really safe here. People in the shelter have opened their arms and now I can finally dream with my eyes open.”
The European Union is the CEB’s largest donor. In 2017, it contributed €95 million to the Bank, representing more than 80% of all contributions received. The European Commission and the CEB work closely together because their cooperation generates significant synergies, as Johannes Hahn, Commissioner for European Neighbourhood Policy and Enlargement Negotiations at the European Commission explains:

“Building a hospital in Turkey to offer Syrian refugees and their host community better access to healthcare. Providing homes to vulnerable persons who were displaced during the armed conflicts in the former Yugoslavia and have been living in dire conditions ever since. These are some of the initiatives that the European Commission and the CEB are working on together.

We partner on these initiatives because they contribute to stability, security and prosperity around Europe. They also foster a more inclusive society, in line with European values and the CEB’s social mandate.

The European Commission and the CEB also partner on these projects because we are complementary. The Commission has policy expertise, while the CEB has experience in developing and implementing social projects. The Commission can provide subsidies, which the CEB can complement with loans.

The European Commission looks forward to working more closely with the CEB. Together, we can make Europe stronger and more inclusive.”
SAVING CHILDREN’S LIVES

When a child falls ill, specialised medical care is often required. That is what the Tiršova University Children’s Hospital provides. Located in Belgrade, the capital of Serbia, the hospital is a regional centre of excellence for paediatric care. In 2016, the hospital treated more than 200,000 children from Serbia and other Balkan countries.

In 2017, the CEB awarded a €300,000 grant to the Serbian authorities to help them modernise the hospital. Thanks to the grant, healthcare specialists will be assisting the Serbian authorities in designing new facilities.

During an event celebrating the awarding of the grant, Dr Zoran Radojičić, Director of the hospital said: “An important day and a big step towards the new children’s hospital. The experts will now assess how the new hospital should look like for the next thirty to forty years.”

The grant is financed from the Slovak Inclusive Growth Account (SiGA). The SiGA was established in 2016 by the Slovak authorities, who endowed it with €2 million. It finances technical assistance for CEB projects in favour of highly vulnerable persons.

Commenting on the grant, Martina Kobilicová, Director General at the Ministry of Finance of the Slovak Republic said: “I am proud that Slovakia contributed to this highly needed and beneficial project in Serbia via the SiGA grant. Directing financial assistance to a project such as the Tiršova paediatric hospital plays a decisive role not only for the country and its citizens, but also for the CEB.”
BUILDING A BETTER FUTURE FOR ROMA

Konik camp is located on the outskirts of Podgorica, the capital of Montenegro. It is the largest Roma refugee camp in the Balkans. It was settled by Roma who fled Kosovo following the armed conflict in the former Yugoslavia.

The residents of the camp have been living in dire conditions for the better part of the last twenty years, with makeshift homes and limited access to water and electricity.

Their situation is now improving thanks to the Regional Housing Programme. The Programme provides homes to vulnerable persons who were displaced during the war in the former Yugoslavia. Funded mainly by the international community, the Programme is implemented by Bosnia and Herzegovina, Croatia, Montenegro as well as Serbia and overseen by the CEB.

As part of the Regional Housing Programme, more than 170 apartments are being built in Konik camp to replace the makeshift homes. To give visibility to the donors and other stakeholders of the Programme, an inaugural event was held in May 2017.

At this event, the European Union, the Programme’s largest donor, was represented by Christian Danielsson, Director General for European Neighbourhood Policy and Enlargement Negotiations at the European Commission. Commenting on the Programme, Mr. Danielsson said “Housing combined with social integration measures and economic opportunities will create a better future for all those families who will live in the houses for which we laid the foundation stone today.”
In recent years, funds provided by donors have come to play an increasingly important role in the CEB’s operations. Indeed, they have enabled the Bank to support a growing number of projects in favour of highly vulnerable population groups.

This trend continued in 2017. During the year, the Bank raised a record €114 million from donors. Most of the funds raised, €111 million or 97%, are earmarked for assistance to migrants and refugees, which is one of the Bank’s priority missions.

At end December 2017, the Bank managed 31 trust funds, representing a total balance of €190 million. During the year, the Bank disbursed €44 million in grants.

### Contributions by donor in 2017

- **European union** €95 million
- **U.S.A.** €8 million
- **Italy** €4 million
- **Spain** €3.5 million
- **Germany** €1.5 million
- **Norway** €1.5 million
- **Bosnia and Herzegovina** €30,000

### Donors

- European Union
- U.S.A.
- Germany
- Norway
- Western Balkans Investment Framework
- Eastern Europe Energy Efficiency and Environment Partnership
- Italy
- Switzerland
- Spain
- European Investment Bank
- France
- Sweden
- Slovak Republic
- Netherlands
- Denmark
- Finland
- Turkey
- Luxembourg
- United Kingdom
- Ireland
- Lithuania
- Cyprus
- Czech Republic
- Hungary
- Poland
- Albania
- Neighbourhood Investment Facility
- Romania
- Malta
- Holy See
- Bosnia and Herzegovina
- San Marino
- Iceland
- Liechtenstein

### Contributions by donor

- **All other donors countries**
- **Three largest donor countries:** U.S.A., Germany, Norway

### Grants by sector

- **European Union** 70%
- **Other sectors**
  - Adressing natural or ecological disasters 9%
  - Supporting MSMEs to create and preserve viable jobs 26%
  - Assisting migrants and refugees 29%

€686 MILLION SINCE 1996

€412 MILLION SINCE 1996
Grants by country (in %)

Ten largest recipients

10 LARGEST RECIPIENTS

Other countries

Multi-country grants

50%

45%

5%
A mother and her children in front of their new home financed by the Regional Housing Programme in Stara Pazova, Serbia.
Photo Credits: