



Council of Europe Development Bank (CEB)

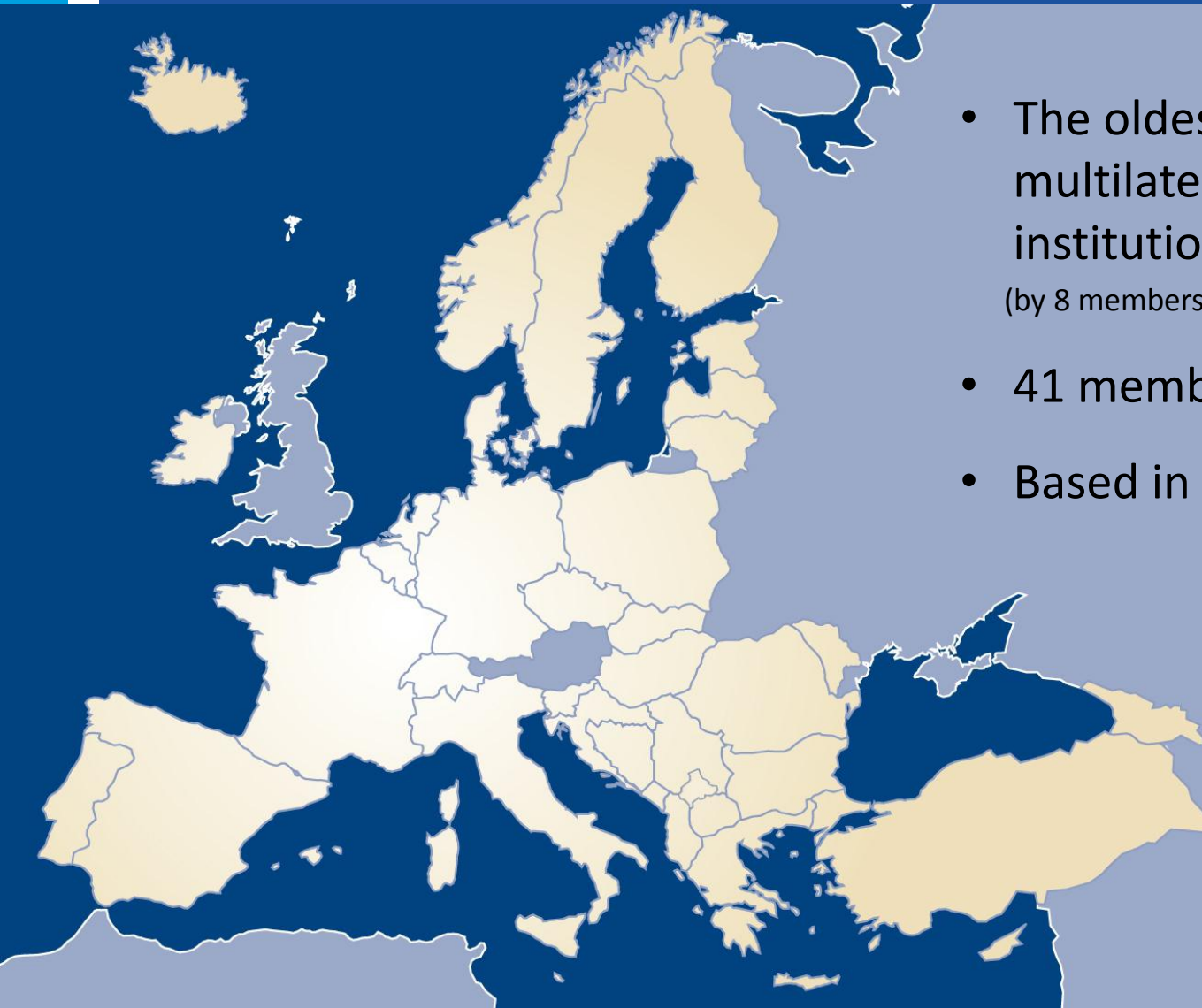
Supporting social cohesion
across Europe: financing
social and affordable
housing

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5 May 2015

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The CEB: the social development bank in Europe



- The oldest European multilateral development institution, set up in 1956 (by 8 members of the Council of Europe)
- 41 member states
- Based in Paris, France

The Bank's 41 member states

Albania	Holy See	Norway
Belgium	Hungary	Poland
Bosnia and Herzegovina	Iceland	Portugal
Bulgaria	Ireland	Romania
Croatia	Italy	San Marino
Cyprus	Kosovo	Serbia
Czech Republic	Latvia	Slovak Republic
Denmark	Lichtenstein	Slovenia
Estonia	Lithuania	Spain
Finland	Luxembourg	Sweden
France	Malta	Switzerland
Georgia	Moldova (Republic of)	"the former Yugoslav
Germany	Montenegro	Republic of Macedonia"
Greece	Netherlands	Turkey

The CEB's mandate

The CEB invests in social projects that foster inclusion and contribute to improving the living conditions of the most vulnerable populations across Europe.

“The primary purpose of the Bank is to help in solving the social problems with which European countries are or may be faced as a result of the presence of refugees, displaced persons or migrants consequent upon movements of refugees or other forced movements of populations and as a result of the presence of victims of natural or ecological disasters.”

“The Bank may also contribute to the realisation of investment projects approved by a Member of the Bank which enable jobs to be created in disadvantaged regions, people in low income groups to be housed or social infrastructure to be created.”

Excerpt from Article II of the Articles of Agreement
of the Council of Europe Development Bank (CEB)



The CEB and the Council of Europe

The CEB is based on a Partial Agreement among member states of the Council of Europe.

The Bank supports the principles and values of the Council of Europe, which stands for human rights, the rule of law and democracy.

The CEB has its own legal personality and is financially independent.

2014 Key figures

- Close to € 40 billion in projects financed since establishment
- Projects approved: € 2.06 billion
- Loans disbursed: € 1.75 billion
- Loans outstanding: € 12.6 billion

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- Own funds: € 7.4 billion
 - Equity: € 2.55 billion
 - Net profit: € 134 million





How we work

Means of action

The CEB can provide loans to its 41 Member States to finance projects corresponding to certain sectoral, geographic, social and financial criteria.

Potential borrowers include:

- Governments
- Local or regional authorities
- Financial institutions

Our resources

- The CEB receives **no aid or subsidy** from its Member States.
- Thanks to its **excellent rating** (Aa1 with Moody's, outlook stable, AA+ with Standard & Poor's, outlook stable and AA+ with Fitch Ratings, outlook stable), the Bank raises its funds in the international capital markets on very competitive terms, thus enabling its borrowers to significantly reduce the cost of the loans they take out to finance social projects.

As a multilateral financial institution, the CEB:

- Conforms to international standards and best practices
- Keeps up with regulatory framework such as Basel III / International Financial Reporting Standards
- Is committed to corporate responsibility
- Is an Official Development Assistance (ODA)-eligible international organisation (since July 2014)

Working in partnerships

- A network of close partnerships with other international organisations and with donors through trust accounts
- Bilateral framework agreements with international financial institutions such as the EBRD, World Bank, Asian Development Bank, ESM or NIB
- Strategic cooperation with the European Union



Our priorities

The CEB's geographical focus

As a manifestation of solidarity among the CEB Member States, the Bank provides increased support to its 22 “target countries” in Central, Eastern and South Eastern Europe:

Albania

Bosnia and Herzegovina

Bulgaria

Croatia

Cyprus

Czech Republic

Estonia

Georgia

Hungary

Kosovo

Latvia

Lithuania

Malta

Montenegro

Poland

Republic of Moldova

Romania

Slovak Republic

Serbia

Slovenia

“the former Yugoslav Republic of Macedonia”

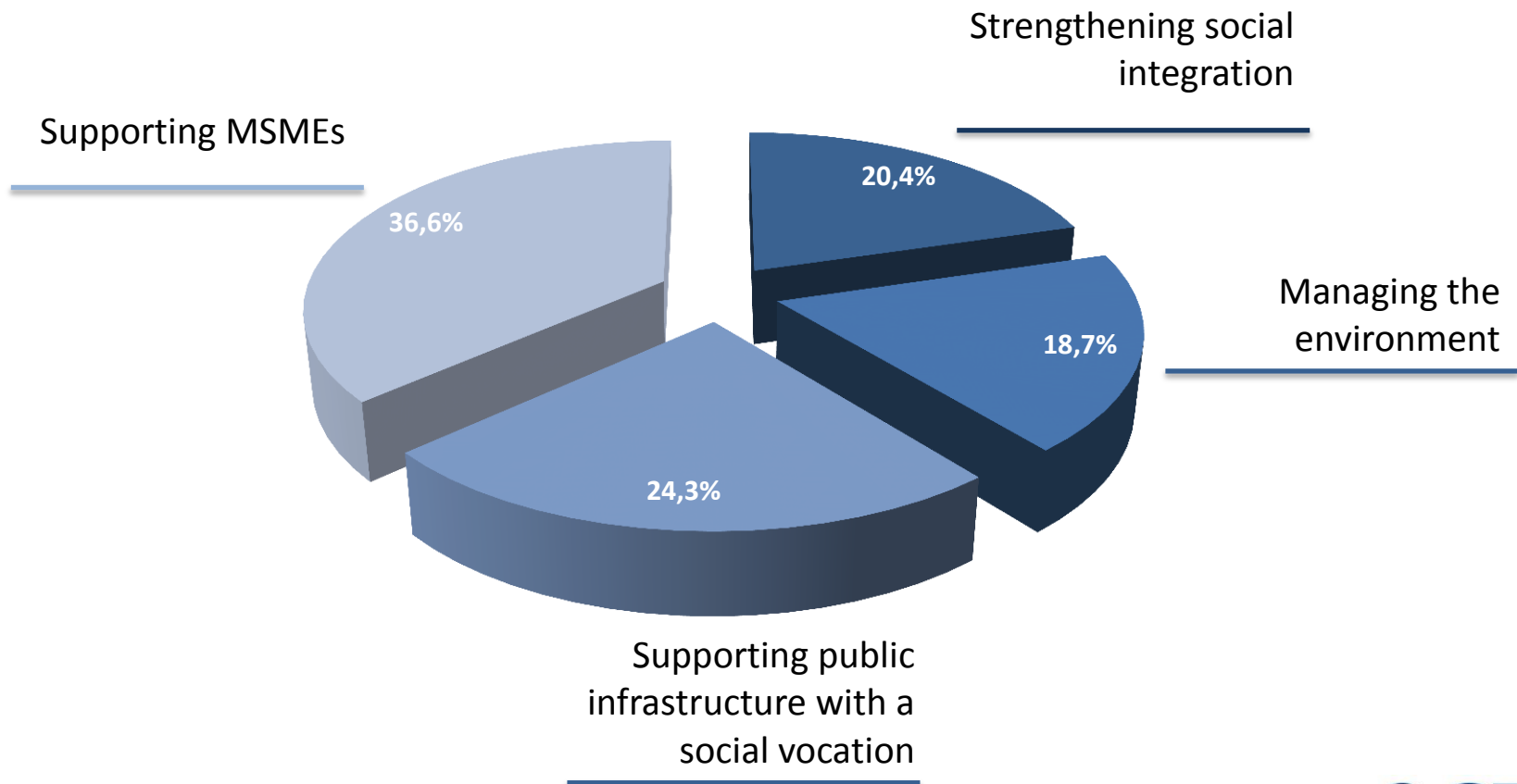
Turkey

The CEB's sectoral priorities

The CEB has four priorities (“sectoral lines of action”):

Sectoral lines of action	Sectors of action
Strengthening social integration	<ul style="list-style-type: none">• Aid to refugees, migrants and displaced persons• Housing for low-income persons• Improvement of living conditions in urban and rural areas
Managing the environment	<ul style="list-style-type: none">• Natural or ecological disasters• Protection of the environment• Protection and rehabilitation of historic and cultural heritage
Supporting public infrastructure with a social vocation	<ul style="list-style-type: none">• Health• Education and vocational training• Infrastructure of administrative and judicial public services
Supporting micro-, small and medium-sized enterprises (MSMEs)	<ul style="list-style-type: none">• Creation and preservation of viable jobs

Projects approved in 2014: € 2.06 billion



Strengthening social integration

Housing for low-income persons – Scope of action

Key objective: to facilitate access to decent and affordable housing either by providing access to mortgage or by alleviating the scarcity of housing

Eligibility criteria: priority given to relevant national legislation or, in the absence of such legislation, application of CEB's own eligibility criteria

A cross-sector approach to housing needs

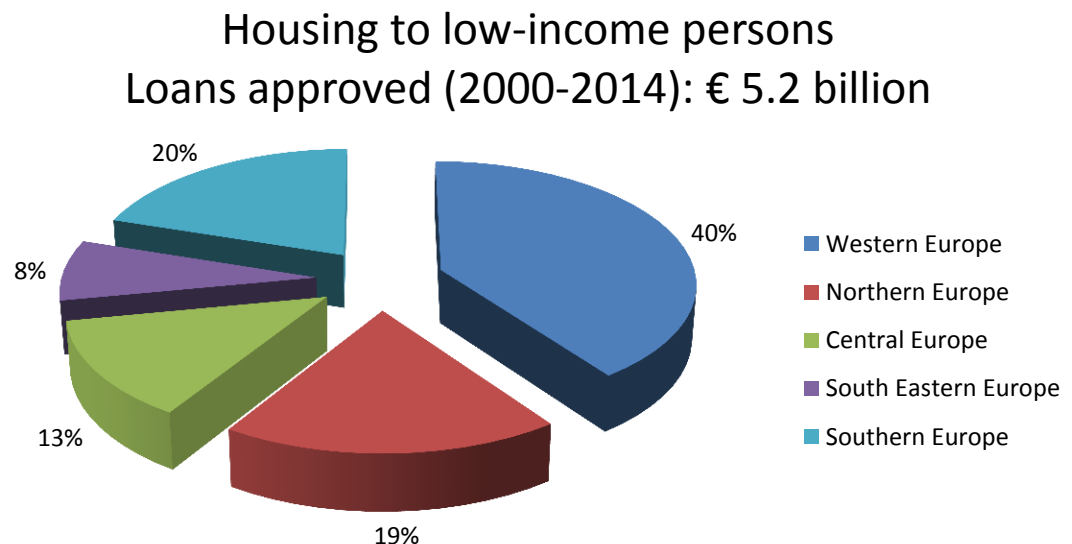


Strengthening social integration

Housing for low-income persons - Loans

The provision of social and affordable housing to economically and socially disadvantaged population groups represents a large share of the CEB's activities (17% over 2000-2014)

In 2014, the Bank funded housing for low-income persons with € 195 million in loans to Belgium, Bosnia and Herzegovina and the Slovak Republic



Strengthening social integration

Housing for low-income persons – Immediate social effects

Over the period 2000-2014, CEB loans totalling € 4 billion allowed for the construction or rehabilitation of some 350,000 social and affordable dwellings in 20 countries



Strengthening social integration

Housing for low-income persons – Grants

In addition to loans, grant resources can be made available through the CEB's fiduciary accounts in order to subsidise interest rates and/or to finance technical assistance and/or part of the investment costs

In the housing sector, almost € 28 million worth of grants have been allocated through the CEB's Social Dividend Account, the Spanish Social Cohesion Account, the Norway Trust Account for the Western Balkans and the CEB's consultancy budget

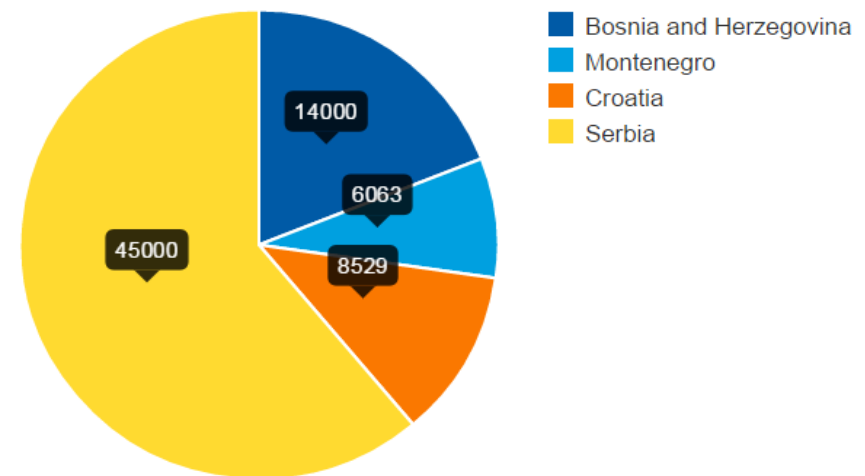
Strengthening social integration

Regional Housing Programme

Since 2010, the Bank has been actively involved in a joint initiative, called the Regional Housing Programme (RHP), to provide some 74,000 refugees and displaced persons with durable housing solutions in four partner countries: Bosnia and Herzegovina, Croatia, Montenegro and Serbia

The CEB's main role is to manage the multi-donor RHP Fund (with contributions totalling € 148 million at end-2014) and to assist the partner countries in preparing and implementing their housing projects

RHP: Number of beneficiaries per country



Housing Europe 2015 report


- A timely and important update given the transformations in the demand for social and affordable housing
- Countries are faced with a dual challenge of increasing housing needs and decreasing public resources
- The CEB welcomes and closely follows the Housing Europe research to ensure that the most vulnerable populations are adequately targeted through its projects

Strengthening social integration

Housing for low-income persons – upcoming CEB working paper

- The upcoming CEB paper on its housing financing is in line with Housing Europe findings and showcases the diversity of CEB-financed projects
- As a next step, the CEB plans to re-define its housing eligibility criteria to keep abreast of the recent trends
- The CEB intends to maintain its focus on target countries, where housing needs differ and systems are at various stages of maturity


For more information and for the upcoming paper, visit: www.coebank.org


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Project financing / Sectors


Social housing

Housing is a basic need everywhere. The deep economic downturn and austerity measures in many European countries have resulted in an ever higher need for social and affordable housing. With home ownership decreasing, many more people are at risk of poverty and social exclusion.


CEB loans often finance sustainable and affordable housing for vulnerable populations (large families, young people or other groups, as defined by national authorities) that have difficulty accessing housing or can only do so under unfavourable conditions.

SUCCESS STORIES

Rehabilitating run-down neighbourhoods and ensuring affordable housing in Portugal



Housing infrastructure support and development



More success stories >

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Thank you for your attention