



Council of Europe Development Bank (CEB)

The social development bank
for Europe

October 2023

CEB: The social development bank for Europe

- The oldest European multilateral development bank in Europe, set up in 1956; headquartered in Paris, France
- The CEB's membership base has gradually expanded and now includes 43 member states
- Ukraine finalised the process to become a member of the CEB on 15 June 2023
- In July 2022, CEB member states unanimously welcomed Ukraine's request to join; and agreed to exonerate the country of any payment required for accession.

The Bank's member states and Target Group Countries

Albania*
Andorra
Belgium
Bosnia and Herzegovina*
Bulgaria*
Croatia*
Cyprus*
Czech Republic*
Denmark
Estonia*
Finland
France
Georgia*
Germany
Greece
Holy See
Hungary*
Iceland
Ireland
Italy
Kosovo*
Latvia*
Liechtenstein
Lithuania*
Luxembourg
Malta*
Republic of Moldova*
Montenegro*
Netherlands
North Macedonia*
Norway
Poland*
Portugal
Romania*
San Marino
Serbia*
Slovak Republic*
Slovenia*
Spain
Sweden
Switzerland
Türkiye*
Ukraine*

★ Target Group Country



2022: preparing to opening the doors to Ukraine

- Nearly one-third of the loan amount approved in 2022 (1.3 BEUR) was related to support for refugees fleeing Ukraine and their host communities
- 6.9 MEUR in grants approved from Migrant and Refugee Fund for Ukrainian refugees hosted by 10 CEB member countries
- CEB established a Ukraine Solidarity Fund in 2022; Ireland 1 MEUR contribution signed in December 2022; CZ 29 KEUR, DE 2 MEUR preparation to sign. Additional contributions from donors, member states, are expected.



Guiding principles for CEB operations in Ukraine

- The CEB's Strategic Framework 2023-2027 will be guiding the activities of the Bank over the next five years, including activities in Ukraine
- “Support the reconstruction and rehabilitation needs of Ukraine's social sectors” – one of the three overarching goals of the CEB's Strategic Framework 2023-2027 (along with: social development and inclusion; assistance and integration of refugees and migrants)
- Gradual path - starting from about EUR 100-200 million in 2023 and reaching about EUR 400 million per year in 2027 (loans approval)
- CEB's efforts to work with donors to provide additional support to projects with high social impact in the form of technical assistance, guarantees, grants, and interest rate subsidies (eligible also for Ukraine)

CEB engagement in Ukraine

- Direct lending support to the Government, in line with country's priorities and needs
- Grant support for most vulnerable; grant management activities
- Technical assistance for preparation and implementation of projects
- Main sectors: health, education, housing. First project is ready to be submitted for approval – health sector. Housing sector is of high interest and priority for the CEB.
- Coordination and partnerships with other IFIs and EU.

First CEB project in Ukraine

- CEB Loan amount – EUR 100 million
- World Bank (WB) 2nd Rapid Damage and Needs Assessment estimates needs in the health sector at US\$16 billion
- CEB loan will co-finance WB's developed "HEAL - Health Enhancement and Lifesaving" - framework project (approved in December 2022)
- CEB will support ongoing activities, expenditures and investments of the HEAL Project, under which four main components are defined (1) Addressing new and urgent health needs for mental health and rehabilitation; (2) Further improving and strengthening primary health care; (3) Restoring and modernizing hospital care in line with reform direction and (4) Supporting capacity-building, digitalization, and innovations
- CEB approval – 16 November 2023, implementation 2023-2025

CEB focus on housing sector projects in Ukraine

- Housing is important core sector of activity for the CEB. In summer in 2023 CEB organized a study tour for Ukrainian delegation on housing topics to the Balkans, where the housing had to be reconstructed in post-conflict environment, and CEB developed a number of important housing projects.
- The objective is to support the Ministry of Restoration with housing initiatives in line with Ukraine's defined approach in housing restoration.
- The CEB approach is to support/ to scale-up already launched housing initiatives in Ukraine, which are already showing results (example, capital repairs of multi-family buildings).
- In addition, initiate smaller grants to support various housing initiatives, with focus on the most vulnerable. First Grant of EUR 2 million approved for Catholic Relief Services – “winterization measures” for 525 households.

CEB housing projects in Ukraine

- Register of Damaged and Destroyed Property: 23,000 multi-apartment buildings across the country damaged or completely destroyed
- CEB working on potential envelope of 200 MEUR to be approved in 2024, for two housing projects.
- CEB financing for capital repairs of the multi-family buildings in regions Kharkiv, Mykolaiv, and Kryvyi Rih; 100 MEUR allows 80 buildings repairs, and to return 21,000 inhabitants; important TA needed for preparation and implementation of multi-family buildings for projects tenders, design, supervision.
- CEB financing for budgetary support to implement a Compensation scheme – focus on compensation “vouchers” for the destroyed residential housing, launched by the Government in August 2023 (3,600 applications/ 130 MEUR needs); 100 MEUR allows compensating 2,500 war-affected households.

CEB as potential partner for EU funding/donors funding implementation in Ukraine

- CEB previous experience: CEB has successfully managed about EUR 300 million of donors' grant resources, including from the EU and the USA, for the Regional Housing Programme (RHP) in post-conflict ex-Yugoslavia. Ending in 2023, the RHP has delivered 11 thousand homes to nearly 34 thousand displaced and refugee persons across the Western Balkans.
- CEB is pillar-assessed institution, and currently implements EU-funded projects in its member states. Among the largest CEB-managed grant projects are: the Hospital in Kilis, Turkiye, near Syrian border (EUR 50 million) and "Strengthening Healthcare Infrastructure for All" (SHIFA) (EUR 90 million).

CEB Projects in support of refugees from Ukraine

- Since the outbreak of war, CEB worked on 27 projects in favour of refugees from Ukraine in the neighbouring countries;
- 17 grants (cumulated amount 8 MEUR) mostly focused on immediate response; in MD, RO, SK, PL, HU, CZ, ES, LT, BG, GR; 5 completed, 11 on-going, 1 in preparation. Examples:
- 9 grants through IOM aiming to: collect and analyse migration flow data; displacement tracking, logistic support for stranded migrants in UA e.g. “green corridors” to streamline traffic at border, training and equipment to border management authorities, acquisition of emergency kits to refugees e.g. hygiene, bedding; repatriation support for third country nationals
- 900 KEUR grant to MD Government to support provision of medical services through the existing system and emergency mobile teams.

CEB Projects in support of refugees from Ukraine

- 9 loans (cumulated amount 1.7 BEUR) mostly focused on integration; in LT, RO, DE, PL, CZ, IT; 6 on-going, 3 in preparation. Examples:
- 450 MEUR CEB loan to PL Government to co-finance a 2.4 BEUR refugees integration program. CEB loan will finance, via the Aid Fund, PL authorities providing assistance to displaced persons from Ukraine. The Fund will cover: one-off living benefits for refugees; social allowances as for PL residents; accommodation allowance for PL hosts of migrants; adaptation of education premises and purchase of equipment; upgrade of medical infrastructure, acquisition of equipment and medication.
- 200 MEUR CEB loan to CZ Government (followed by Phase II – add. 200 MEUR loan) to co-finance immediate reception measures similar to above; as well as long-term integration via repair/repurposing of social housing, purchase of modular housing; labour market integration: recognition of qualifications, training for refugees; capacity strengthening of Labour Office.

Thank you for your attention