



## Social economy financing at the CEB

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# The history of the CEB

- Development bank founded in 1956 to address WWII refugee issues
- **41 Member States**
- Investments geared towards social inclusion
- It provides loans and guarantees to member countries to finance projects to **meet social, economic and territorial cohesion** objectives:
  - Education and vocational training
  - Housing
  - Environment
  - Support job creation via MSMEs



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# Society's pressing issues



- Social infrastructure gap + Post-crisis challenges (lack of fiscal space for investments) – around 60% of public investment in the OECD area is carried out by subnational governments

Investment needs to take into account the changing environment and the adaptation of welfare systems:

- Demographic changes
- Increasing inequalities and migrant crisis
- Future of work and high level of unemployment

At the same time, **diversity of needs** and **evolving priorities** in CEB member countries



# Responses



1. Respond to backlog of social investment: **not only infrastructure and new stakeholders**
2. Focus to support **vulnerable groups**
3. Widen the **product offer** further - social inclusion bond
4. Strengthen **social screening** and upgrade capacity to measure **social impact**



# 1. Evolving needs of social investment



- Respond to backlog of social investment: change in the **service offer** in traditional social sectors (health, education, housing)
- Service **providers** (non-profit organizations, housing associations, etc.) and role of **social enterprises** access to jobs and finance, and increase social cohesion

Italy: € 6 mln to PerMicro which provides microloans to both micro-businesses and individuals. Role of community representatives and free mentorship.

Spain: € 280 mln to Microbank (CaixaBank group) lending to both micro-firms and individuals, including immigrants and refugees, with limited access to credit.

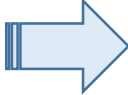
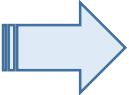
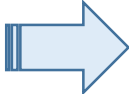
France: € 100 mln to Credit Agricole to support foundations, non-profit organizations and territorial authorities projects for social care, sport, health and education.

Bosnia and Herzegovina : € 2.5 mln to non-profit Partner Foundation for microloans to low income households to improve efficiency in energy use in residential buildings. Technical Assistance to build Foundation capacity to measure impact.



## 2. CEB activities to support vulnerable groups, including migrants

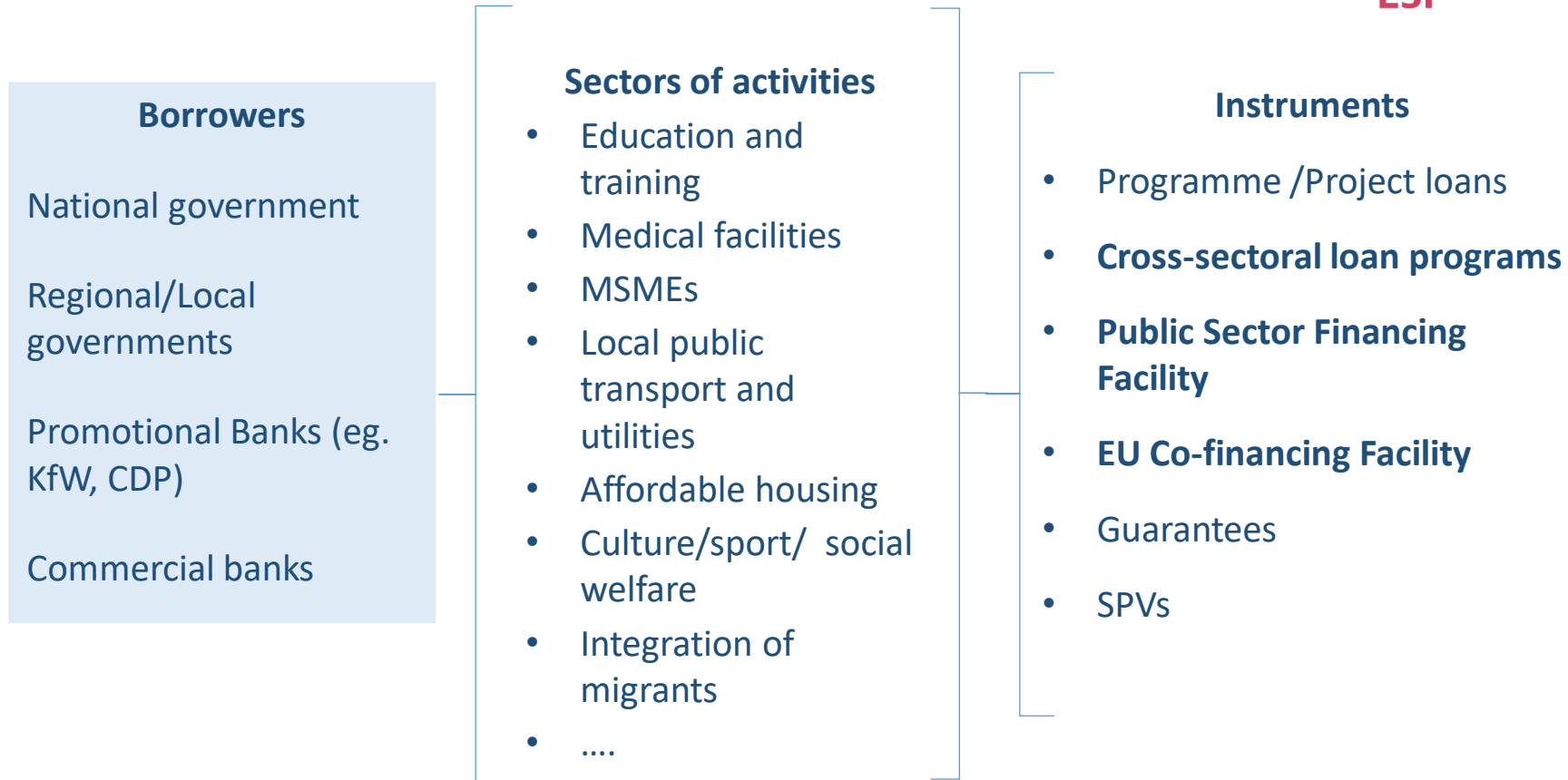


- **Rapid response** to the crisis situation in 2015  Migrant and Refugee Fund
- **Addressing** long-term issues of refugees and displaced persons in the Balkans  Regional Housing Programme
- **Long-term integration** of migrants and other vulnerable populations  Loan activity, blending (grant/loan) instruments

German Federal States: € 625 million approved in loans for social housing to socially-vulnerable groups and local infrastructure projects.

City of Paris, France: € 200 million loan to facilitate aid to refugees, migrants and displaced persons, including education infrastructure and vocational training.

# 3. Widen product offer



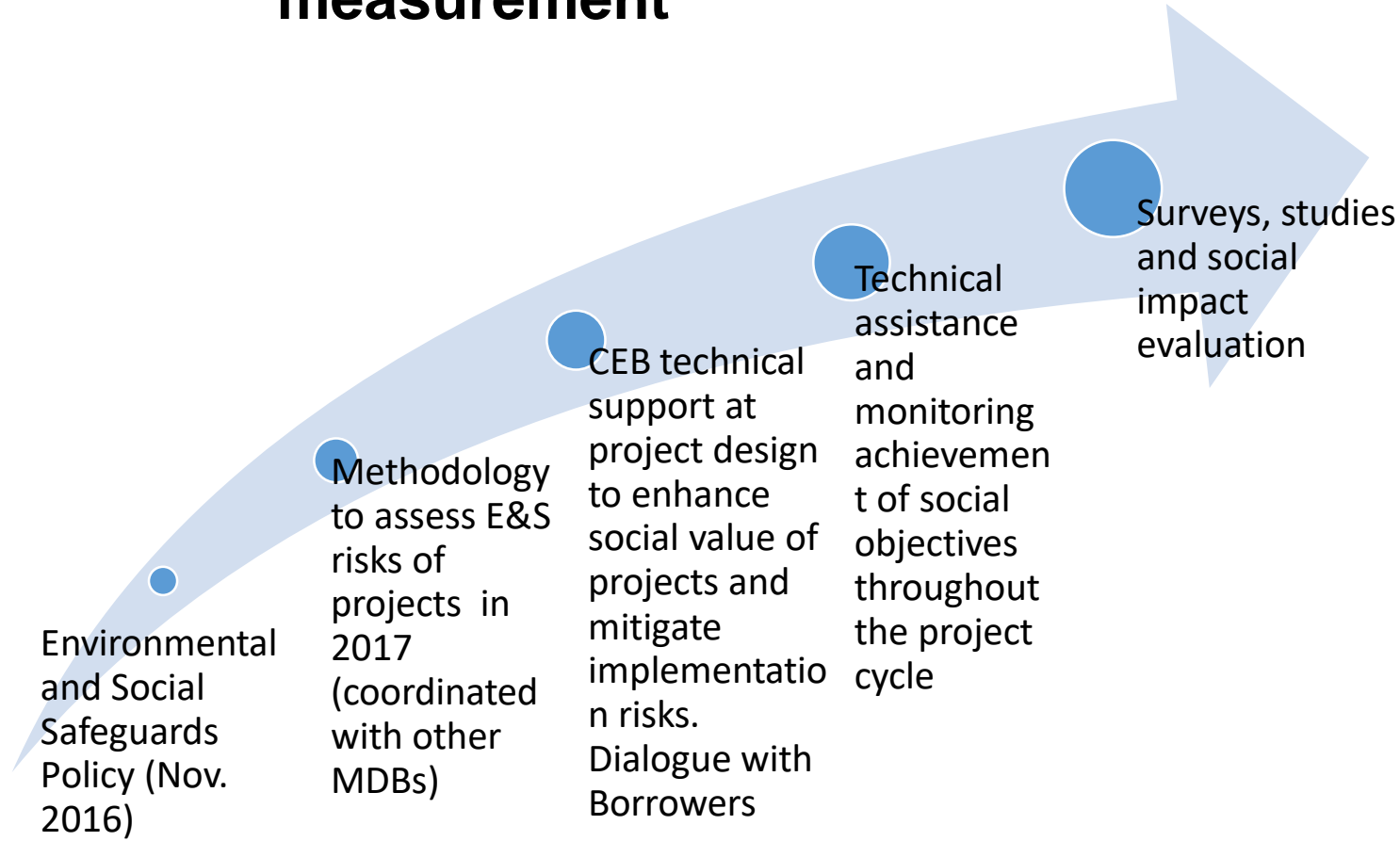
**Social inclusion bond** (EUR 500 mln) to support job creation and preservation in MSMEs, social housing, education and vocational training



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## 4. Improve social screening, monitoring and impact measurement



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Thank you for your attention

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