

# The Refugee Crisis and the Need for Social Investment

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# A Crisis of Unprecedented Size and Scope

- **Much larger flows than in the past**
  - Currently, 60 M people are refugees or forcibly displaced, with 42,000 being displaced every day
  - In 2015, 1.3 million asylum seekers entered the EU
- **Europe in the midst of a “polycrisis” :**
  - The refugee crisis is taking place in the aftermath of the financial crisis amid strained political systems
  - Core European principles and achievements are being severely tested

# No “Silver Bullet” for a Complex Policy Issue

- **The crisis needs to be properly analysed:** causes and effects of (forced) displacement vary
- **The policy response is complex.** The purpose of this seminar is to discuss and assess various views on:
  - Immediate humanitarian reaction
  - Alleviation of the pressure on social infrastructure
  - Mid and long-term integration of refugees
- **There is no single solution:** policies and investments need to be properly combined

# Refugees – The Core of the CEB Mandate

- The CEB, established as a Resettlement Fund in 1956, has **longstanding experience** in the field of (forced) displacement
- **The CEB assists member countries (upon request) with:**
  - **Emergency support** financed in the event of crisis situations (refugee sheltering, post-conflict assistance) – MRF
  - **Long term integration projects** aimed at social inclusion (local infrastructure, affordable housing, skills development.) – Adoma
- **Current strategy of the Bank to increase** activities related to refugees, e.g. in Germany

# Like any IFI, we are always learning lessons

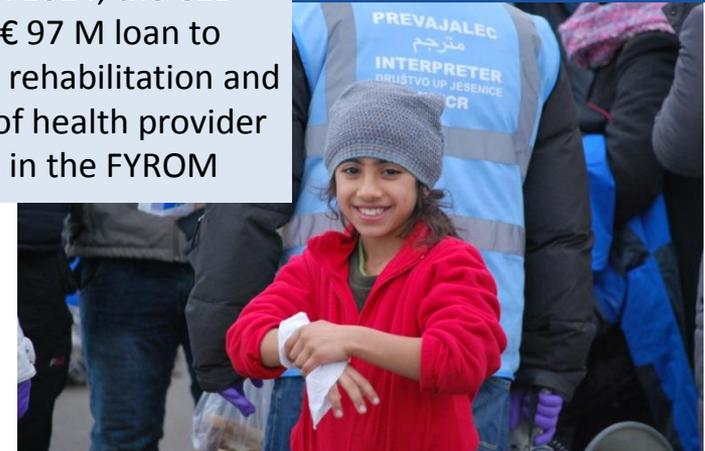
- **Some of the lessons learned** at project level have proven to be very useful:
  - Propose “tailor-made” solutions
  - Mix financing and capacity building
  - Combine emergency help with development goals
  - Garner adequate political support
  - Partner with key actors involved
  - Ensure project sustainability
- **This refugee crisis** is a chance to address growing social investment needs with a **cross-sectorial approach**

# An Investment Focus on Key Social Areas



**EDUCATION** – In March 2016, € 200 M loan to the City of Paris to finance investment in education infrastructure and to finance the construction and renovation of reception centres for migrants and refugees

**HEALTH** – In 2014, the CEB provided a € 97 M loan to finance the rehabilitation and expansion of health provider institutions in the FYROM



## Promoting a cross-sectorial approach to facilitate integration



**SOCIAL HOUSING** – In March 2016, € 230 M loan to the investment programme of the Federal State of Hesse (Germany) specifically directed to affordable housing for vulnerable groups (incl. refugees)

**JOB CREATION** – Investments to support SMEs ranging from a € 6 M loan to microStart (Belgium) in support of microfinance to a € 100 M loan to Türk Exim Bank (Turkey) to finance MSMEs in 2015



# Local Challenges Faced by Investment Projects

- **This seminar is an opportunity to share experiences** on the diversity of humanitarian needs
- **The Countries represented here today** are all affected very differently
- **They share two challenges:**
  - they are at the front line to cope with the refugee influx
  - they have to ensure the access to basic public services

*“In the coming years, Europe's economic and social model will call for new energy and new ideas from around the world. This is an opportunity, this is not a threat, and the sooner we accept it the better”*

*(EC President Jean-Claude Juncker)*